

Also, petition of Emergency Peace Committee of Massachusetts, indorsing the President's efforts to keep the United States out of war with Europe; to the Committee on Foreign Affairs.

By Mr. GOODWIN of Arkansas: Papers to accompany House bill 19020, a bill for the relief of Mart Bradshaw; to the Committee on Pensions.

By Mr. HOLLINGSWORTH: Memorial of Joshua Brantingham and 28 other citizens of Columbiana County, Ohio, protesting against compulsory military training in any form; to the Committee on Military Affairs.

By Mr. KENNEDY of Rhode Island: Memorial of members of Woonsocket Council, No. 113, expressing confidence in the President in these days of international uncertainty; to the Committee on Foreign Affairs.

By Mr. KETTNER: Petition of George M. Fedrick and three others, Anaheim; J. W. Donovan, Perris; Charles J. Perkin, Upland; Charles W. Hedges, Anaheim; I. N. Freeman, I. E. McMahan, and J. L. Gierunup, Riverside; and James C. Fritts, Yucaipa, all in the State of California, favoring passage of a bill to grant rural carriers a reasonable allowance for equipment maintenance, also to fix compensation of carriers upon an equitable and specific basis; to the Committee on the Post Office and Post Roads.

Also, petition of E. D. Cunard, Order of Railway Conductors of America, Division No. 392, E. E. Dillard, James J. Blackburn, G. F. Beach, Gus Taylor, and E. L. Bussey, all of San Bernardino, Cal., protesting against passage of House bill 19730; to the Committee on Interstate and Foreign Commerce.

Also, petition of Mrs. L. F. Golay, San Diego, Cal., favoring passage of House bill 17806, the Madden reclassification bill; to the Committee on the Post Office and Post Roads.

Also, petition of Clarence E. Austin, secretary State Rural Letter Carriers' Association, Chula Vista, Cal., favoring passage of bills for protection of rural carriers from being discharged for trivial matters; one that will define what shall be considered a day's work for a rural letter carrier; one providing a maintenance or a replacement fund of \$300 a year like the mounted city carriers receive; to the Committee on the Post Office and Post Roads.

Also, petitions of 1,388 names of persons residing in San Diego County, Cal., protesting against passage of House bill 18986, Randall mail-exclusion bill; Senate bill 4429, Bankhead mail-exclusion bill; Senate bill 1082, Sheppard District of Columbia prohibition bill; House joint resolution 84, Webb nation-wide prohibition bill; House bill 17850, Howard bill to prohibit commerce in intoxicating liquors between the States; to the Committee on the Post Office and Post Roads.

Also, petition of Newton S. Gandy, Coronado, Cal., urging support of national prohibition and District prohibition bill; to the Committee on the Judiciary.

Also, petition of secretary California Christian Endeavor, Riverside, Cal., favoring strict prohibition amendment without words "for sale"; to the Committee on the Judiciary.

By Mr. MORIN: Petition of Mr. J. O. Corbett, secretary of the Rotary Club of Pittsburgh, Pa., requesting legislation by Congress by which the surplus turned into the Treasury of the United States by the Commissioner of Naturalization may be used in educating the aliens and preparing them for citizenship; also urging support of amendment to the sundry civil bill, by which the Bureau of Naturalization will be authorized to publish a standard textbook for use of aliens; to the Committee on Immigration and Naturalization.

By Mr. OLNEY: Memorial of Men's Club of Atlantic and citizens of Dedham, Mass., indorsing action of the President in severing relations with Germany and pledging support in international crisis; to the Committee on Foreign Affairs.

Also, petition of citizens of Rockland and Dedham, Mass., favoring national prohibition; to the Committee on the Judiciary.

By Mr. SCHALL: Petition of Roy Bird and others, favoring prohibition; to the Committee on the Judiciary.

By Mr. TEMPLE: Petition of public meeting at Mahoningtown, Pa., supporting antipolygamy amendment to the Constitution; to the Committee on the Judiciary.

Also, petition of the Croton Avenue Methodist Episcopal Church, supporting antipolygamy amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. THOMAS: Petition of citizens of Daysville, Ky., against war with Germany; to the Committee on Foreign Affairs.

By Mr. TINKHAM: Petition of the executive committee, National Association of Life Underwriters, urging Congress to exempt from taxation in the proposed revenue law all life-insur-

ance premiums and funds; to the Committee on Ways and Means.

By Mr. SMITH of Michigan: Petition of Clara Miller and 22 citizens of Detroit in favor of House bill 20080, migratory-bird treaty bill; to the Committee on Foreign Affairs.

By Mr. WINSLOW: Petitions of citizens of Worcester, Mass., in behalf of national prohibition; to the Committee on the Judiciary.

Also, petition of citizens of Worcester, Mass., on behalf of national prohibition; to the Committee on the Judiciary.

By Mr. WOODYARD: Petition of citizens and taxpayers of West Virginia, protesting against delegating and investing constitutional prerogatives and powers in the Executive of the Government; to the Committee on Foreign Affairs.

SENATE.

TUESDAY, February 27, 1917.

The Senate met at 12 o'clock m.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thou who hast led us through all the troublous times of the past and to the ever-increasing sphere of influence and prosperity and greatness as a Nation. We still look to Thee for Thy guidance. We pray that these men in this honorable Senate may catch the inspiration of the history written large with Divine purpose, that they may see clearly the path of duty to accomplish that which has been begun for the good and for the permanent blessing of this land. We pray that the inspiration of the Lord God Almighty may be with us that nothing which we undertake may exclude from it the thought of God, but that Thy purpose may be the guiding and controlling motive and thought of all our acts. We ask for Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. SIMMONS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House disagrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 18542) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1918, and for other purposes; further insists upon its amendment to the amendment of the Senate No. 58; further insists upon its disagreement to the residue of the amendments of the Senate to the bill still in disagreement; requests a further conference with the Senate on the disagreeing votes of the two Houses thereon; and had appointed Mr. BYRNS of Tennessee, Mr. Sisson, and Mr. Good managers at the further conference on the part of the House.

SENATOR FROM WEST VIRGINIA.

Mr. CUMMINS. I present the credentials of Hon. HOWARD SUTHERLAND, duly chosen by the qualified electors of the State of West Virginia a Senator from that State for the term beginning March 4, 1917. I ask that the credentials may be printed in the Record and placed on the files of the Senate.

The credentials are as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, 1916, HOWARD SUTHERLAND was duly chosen by the qualified electors of the State of West Virginia as Senator from said State, to represent such State in the Senate of the United States, for the term of six years, beginning on the 4th day of March, 1917.

Witness his excellency our governor, Henry D. Hatfield, and our seal hereto affixed at Charleston this the 20th day of February, in the year of our Lord 1917.

[SEAL.]

By the governor:

HENRY D. HATFIELD.

STUART F. REED,
Secretary of State.

LEGISLATIVE, ETC., APPROPRIATIONS—CONFERENCE REPORT.

Mr. OVERMAN. I ask that the action of the House be laid before the Senate on the legislative, and so forth, appropriation bill.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the report of the committee of conference on the disagreeing votes of the two Houses on the bill (H. R. 18542) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1918, and for other

purposes, further insisting on its disagreement to the amendment No. 58, and further insisting on all other amendments in disagreement, and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. OVERMAN. Mr. President, I wish to say in connection with this measure that there was a full agreement on the part of the Senate conferees. I wish to say also that the Democratic caucus instructed the committee of which I was chairman of the subcommittee to keep down expenses as much as possible, especially this salary increase of \$26,000,000. In accordance with that instruction the committee brought in the bill. Then the Smoot amendment was adopted on the floor of the Senate.

I wish to say also that the Senate by a large vote accepted that amendment and instructed its conferees to stand by the Smoot amendment. Then, again, on another conference committee the matter was before the Senate on the Agricultural appropriation bill, and the conferees were again instructed to stand by the Senate action. Feeling that way and instructed that way, we have been compelled to adhere to the Smoot amendment.

But, Mr. President, since the action last night we feel that we are instructed otherwise, although the Senate conferees had agreed on the legislative bill as to the Smoot amendment. I ask that the appropriation bill be sent back in order that we may recede, and I want to say that on account of the action of the Senate, as far as I am concerned, I propose to agree with the House amendment for the raise of salaries, because the Senate has, I think, instructed the conferees so to act.

I therefore move that the Senate agree to the further conference asked by the House and that the same conferees be appointed, to wit, Senators OVERMAN, BRYAN, and SMOOT, on the part of the Senate. There is nothing else for us to do but to agree to the action of the House.

Mr. SMOOT. Mr. President, I feel sorry that under the House amendment we could not give the 15 per cent increase to employees receiving \$480 or less, and I regret that the only thing the Senate conferees could do was to agree to the House provision considering the action of the Senate last night. I have always felt that if we could agree in conference to a compromise that would have taken care of employees receiving salaries below \$480 it would have been very much better and it would have relieved many of the most distressing cases in the families of employees of the Government. I have not one or two or a dozen letters, but I have over a hundred letters from employees receiving \$40 a month; in many cases it is stated they have six, and in some cases as high as eight, children. I can not for my life see how those poor people can live, and that is the reason why I wanted the 15 per cent increase on salaries of \$480 and less.

Mr. OVERMAN. I want to say that I think it is our duty after the action of the Senate last night to agree with the action of the House. On all these appropriation bills it is our duty to agree to the House action rather than the action of the Senate, because after the vote here last night I feel that while heretofore we were instructed to stand by the Senate action, the Senate has reversed itself. For myself, the Senate having reversed itself, I feel it to be my duty as one of the conferees to agree to the House action.

The VICE PRESIDENT. The question is on the motion of the Senator from North Carolina that the Senate further insist on its amendments still in disagreement and agree to the further conference asked for by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. OVERMAN, Mr. BRYAN, and Mr. SMOOT conferees at the further conference on the part of the Senate.

LAND GRANTS IN IOWA.

Mr. NEWLANDS. I move that the Senate proceed to the consideration of Order of Business 480—

The VICE PRESIDENT. The motion is out of order. The Chair lays before the Senate a communication from the Secretary of the Interior transmitting, in further response to a resolution of the Senate of August 19, 1913, additional letters and documents regarding railway land grants in the State of Iowa, which, with accompanying papers, will be referred to the Committee on Printing.

PETITIONS AND MEMORIALS.

Mr. HUSTING. I present resolutions adopted by the Commercial Club of Mayville, Wis., which I ask may be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the resolutions were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolutions adopted at the regular monthly meeting of the Mayville Commercial Club, held at the club rooms in the city of Mayville, on Tuesday evening, February 20, 1917.

Whereas the present crisis in our country's international relations are such that we may at any time be precipitated into war; and Whereas we deem it the duty of every loyal American citizen to uphold our Government in its attempt to guard American rights wherever they may be: It is

Resolved, by the Commercial Club of the city of Mayville, Wis., That we commend the stand of our President in the present crisis and pledge to him our loyal support; and it is further

Resolved, That copies of these resolutions be mailed to His Excellency Woodrow Wilson, President of the United States, to our two United States Senators, and to our Representatives in the House of Representatives.

Dated at Mayville, Wis., February 20, A. D. 1917.

L. M. BACKHUBER, President.

Attest:

E. A. SEITZ, Secretary.

Mr. BRYAN presented petitions of sundry citizens of Florida, praying for national prohibition, which were ordered to lie on the table.

Mr. ROBINSON presented a petition of Local Union No. 586, United Mine Workers of America, of Huntington, Ark., praying for an investigation into the high cost of living, which was referred to the Committee on the Judiciary.

He also presented the memorial of R. E. Vick and sundry other citizens of Pine Bluff, Ark., remonstrating against the placing of a tax on mutual life insurance companies, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Dardanelle, Ark., praying for national prohibition, which was ordered to lie on the table.

Mr. STERLING presented a petition of sundry citizens of Faulk County, S. Dak., praying for the enactment of legislation to found the Government on Christianity, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Menno, S. Dak., praying that the United States remain at peace and that the question of war be submitted to a referendum of the people, which was referred to the Committee on Foreign Relations.

Mr. GRONNA presented a petition of sundry citizens of Porto Rico, praying for prohibition in Porto Rico, which was ordered to lie on the table.

Mr. GRONNA. I also send to the desk a letter written by J. H. Pifer, of Larimore, N. Dak., on the question of Federal prohibition, which I ask to be read at the desk.

There being no objection, the letter was read, as follows:

LARIMORE, N. DAK., February 24, 1917.

Hon. A. J. GRONNA,

United States Senate, Washington, D. C.

DEAR SIR: As a contractor engaged in the cutting and storing of ice for the Great Northern and Northern Pacific Railways, I engage from 200 to 500 men during the winter in the States of Iowa, Minnesota, North and South Dakota, Montana, Idaho, and Washington. It has been my experience that in the "dry" States I have had very much less trouble with men than in the "wet" States. The conduct of the men is better and there is much less trouble in keeping the men, and I get much better service in the "dry" States. From an economic standpoint, therefore, I am strongly in favor of prohibition.

I am convinced that your vote for national prohibition would be one of the greatest services to the country and your fellowmen that you could do, and I hope you will use your influence in that direction.

Very truly yours,

J. H. PIFER.

Mr. SHERMAN. I send to the desk a communication relating to the same subject presented by the Senator from North Dakota [Mr. GRONNA] which I consider proper to be preserved. I ask that the letter of date February 24, 1917, be printed in the RECORD but not read. It is a letter from Samuel Gompers. I am glad to give it the space required in the RECORD, as it gives various reasons why the prohibition law should not prevail. He seems to have gone wet, Mr. President.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., February 24, 1917.

Hon. BEN JOHNSON,

Chairman District of Columbia Committee,

House of Representatives, Washington, D. C.

DEAR SIR: About two weeks ago I addressed a telegram to you, calling attention to the fact that the members of the Cigar Makers' International Union of America were vitally interested in the measure before your committee dealing with the prohibition question in the District of Columbia, the injurious influence of such a measure upon the more than 100,000 workers in the cigar industry. I asked that either myself or Mr. Joseph Dehan might have the opportunity of appearing before your committee and laying before them the facts and figures which would demonstrate the unwisdom and injustice which such a measure would inflict were it enacted into law. Mr. Dehan has been in constant attendance at the meetings of the committee and has had no opportunity of presenting the facts which have been placed in

his possession. For nearly two weeks I have been serving, nearly every day and many evenings, as a member of the advisory commission with the Council of National Defense, dealing there with momentous subjects of first importance in the present situation in which our country is placed, and I have therefore been unable to attend any meeting of your committee.

Of course it would be useless to undertake to present an argument in this letter against the proposal for prohibition, either in the District of Columbia or elsewhere. Suffice it to herein state that my travels, observation, and experience show beyond a measure of doubt that prohibition by law is an iniquitous proposition that carries within its wake not only denial of freedom, fails to accomplish the purpose of curing the drink evil—an evil admitted by all—and that it (prohibition by law) is violative of the fundamental principles of human freedom, that there is no agency so potent to make men temperate in all their habits as the much misunderstood and misrepresented organized labor movement—a movement which brings improvement in the mental and physical status of our people and reduces to a minimum the desire, the taste, or the habit of intemperance.

Then again, the method by which the measure now before Congress is sought to be forced through without due consideration of all elements and all of the people involved, and without even giving the people of the District of Columbia an opportunity to express themselves thereon.

It ought not to require an argument to any American Congressman to convince him against a procedure unheard of in the legislative annals of our country, and particularly when a proposal is of a character so violative of rights and interests and involving so large a number of people.

To-day our country and our people are confronted by a crisis in their lives; no one can now foretell its widespread influences and consequences. In such a situation is it wise, is it just, is it patriotic to divide our people in the face of such a crisis?

I have only referred indirectly to the great economic injury to the more than 100,000 members in the cigar industry, and to their families, involved in the proposal before your committee. How far-reaching the evil influence of such a piece of legislation would result upon the lives of several millions of workers, directly and indirectly employed in the industry sought to be crushed, surely deserves some consideration; surely more consideration than can be given to it in the limit of three hours' debate under which this great question is to be disposed of should the pending recommendation of the Committee on Rules prevail.

In the name of the Cigar Makers' International Union of America, its men, their women and children, I am authorized and do protest against the disposal of this important question in this summary and unjust manner.

Very respectfully, yours,

SAML. GOMPERS,
First Vice President of the
Cigar Makers' International Union of America.

A letter of which the above is a copy was sent to Hon. BEN JOHNSON.—S. G.

Mr. CURTIS (for Mr. GALLINGER) presented a petition of the Woman's Christian Temperance Union, of West Groton, N. H., praying for national prohibition, which was ordered to lie on the table.

Mr. OLIVER presented a petition of sundry citizens of Falls of Schuylkill, Pa., praying for national prohibition, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Mahonington and New Castle, in the State of Pennsylvania, praying for the adoption of an amendment to the Constitution to prohibit polygamy, which was referred to the Committee on the Judiciary.

He also presented memorials of sundry granges, all in the State of Pennsylvania, remonstrating against the proposed reduction of the tax on oleomargarine, which were ordered to lie on the table.

He also presented a memorial of the Federated Trades Council of Reading, Pa., remonstrating against the United States becoming engaged in the European war, which was referred to the Committee on Foreign Relations.

He also presented a memorial of the Central Labor Union of Erie, Pa., remonstrating against compulsory military service, which was ordered to lie on the table.

He also presented a petition of the Central Labor Union of Erie, Pa., praying that the increased expenses of the Government be met by an increased income tax and tax on profits, which was ordered to lie on the table.

He also presented a petition of the Pennsylvania Association of Union Volunteer Officers of the Civil War, praying for the passage at this session of the so-called Volunteer officers' retired bill, which was ordered to lie on the table.

Mr. WARREN presented a petition of the Board of School Trustees of School District No. 18, of Superior, Wyo., praying for the use of all surplus funds from naturalization sources for the education of immigrants, which was ordered to lie on the table.

Mr. THOMPSON presented a memorial of sundry citizens of Lawrence, Kans., remonstrating against the proposed reduction in the tax on oleomargarine, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Walton, Kans., praying for national prohibition, which was ordered to lie on the table.

Mr. PHELAN presented a memorial of Typographical Union No. 144, of Fresno, Cal., remonstrating against any change in the second-class postal rates, which was ordered to lie on the table.

Mr. McLEAN presented petitions of sundry citizens of New Britain, Cannondale, Moodus, Hazardville, Hartford, Seymour, New Haven, Portland, Norwich, Ansonia, Bridgeport, Orange, and Waterbury, all in the State of Connecticut, praying for national prohibition, which were ordered to lie on the table.

He also presented a petition of the congregation of the Swedish Lutheran Church of North Grosvenordale, Conn., praying that the United States remain at peace, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of New Haven, New Britain, Sharon, Greenwich, and Hartford, all in the State of Connecticut, praying for an appropriation for the enforcement of the child-labor law, which was referred to the Committee on Education and Labor.

He also presented petitions of sundry citizens of Bridgeport, New Haven, and Waterbury, all in the State of Connecticut, praying for universal compulsory military training, which were ordered to lie on the table.

Mr. PENROSE presented a petition of the editors and staff of the Philadelphia (Pa.) Daily Record, praying for the passage of the volunteer officers' retirement bill, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Philadelphia, Pa., praying for Federal censorship of motion pictures, which was referred to the Committee on Education and Labor.

Mr. POINDEXTER. I present a telegram from the Chamber of Commerce and Commercial Club of Seattle, Wash., praying for an appropriation for roads in Alaska, which I ask may be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the telegram was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., February 25, 1917.

Hon. MILES POINDEXTER,
United States Senate, Washington, D. C.:

Advised appropriation for construction and maintenance of roads in Alaska recommended by War Department stricken from bill in House. Absolutely essential to Alaskan development and prosperity that this item be reinstated. Alaska development now assuming enormous proportions, due to encouragement and aid extended by National Congress. Commerce for 1916 totaled in excess of \$110,000,000, increase over 1915 of 50 per cent. Development of Alaska dependent absolutely upon transportation facilities; wagon-road construction most important. Respectfully urge you to use every effort possible to secure reinstatement of small appropriation of \$500,000 recommended; should be four times as great.

ALASKA BUREAU SEATTLE CHAMBER OF COMMERCE
AND COMMERCIAL CLUB.

Mr. POINDEXTER. I present a telegram from the Commercial Club of Hoquiam, Wash., favoring the passage of the river and harbor bill, which I ask may be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HOQUIAM, WASH., February 26, 1917.

Hon. MILES POINDEXTER,
Senate, Washington, D. C.:

After full and careful consideration we indorse majority committee report rivers and harbors bill and urge your unqualified support of same as submitted.

HOQUIAM COMMERCIAL CLUB,
E. B. ARTHAUD, President.

Mr. POINDEXTER presented a memorial of the Chamber of Commerce of Seattle, Wash., remonstrating against the proposed tax on excess profits of corporations, which was ordered to lie on the table.

He also presented a petition of the Commercial Club, of Reno, Nev., praying for the enactment of legislation to prevent the charging of higher rates in interstate commerce for short hauls than for long ones on the same line, which was referred to the Committee on Interstate Commerce.

Mr. LODGE. I present resolutions adopted by the Men's Club, of Atlantic, Mass., approving the severance of relations with Germany and in support of the maintenance of American rights. I ask that the resolutions may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas the policy of frightfulness announced by the Imperial German Government on February 1 is imperiling American lives and practically blockading American ports: Therefore be it

Resolved, That we, the Men's Club, of Atlantic, Mass., unequivocally approve the action of the President in severing diplomatic relations with the German Empire; be it further

Resolved, That we pledge unswerving support to the President in any action which he may take to enforce international law, to break the present virtual blockade of American ports, and to protect American lives and interests upon the seas; and, finally, be it

Resolved, That copies of these resolutions be sent to the President of the United States and to our Representatives in Congress.

Mr. TILLMAN presented petitions of sundry citizens of Abbeville, Georgetown, and Columbia, all in the State of South Caro-

lina, praying for national prohibition, which were ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. JAMES, from the Committee on Patents, to which was referred the bill (H. R. 12716) amending sections 4898, 4906, 4921, 4934, and 4935 of the Revised Statutes of the United States, reported it with amendments.

Mr. BRYAN, from the Committee on Claims, to which was referred the bill (S. 8267) granting the sum of \$549.12 to Clara Kane, dependent foster parent, by reason of the death of William A. Yenser, late civil employee, killed as result of an accident at Philadelphia Navy Yard, reported it without amendment and submitted a report (No. 1112) thereon.

Mr. BANKHEAD, from the Committee on Post Offices and Post Roads, to which were referred the following bills and joint resolutions, reported them without amendment and submitted reports thereon:

S. 6570. A bill for the relief of W. H. Overocker (Rept. No. 1114);

S. 7065. A bill for the relief of the estate of Charles Le Roy, deceased (Rept. No. 1113);

H. R. 1571. An act for the relief of Albert T. Huso (Rept. No. 1115);

H. R. 9335. An act for the relief of Mrs. W. E. Crawford (Rept. No. 1116);

H. R. 9737. An act for the relief of John A. Bingham (Rept. No. 1117);

H. R. 14345. An act to reimburse J. B. Patterson, postmaster of Lacon, Morgan County, Ala., for certain postage stamps stolen (Rept. No. 1119);

S. J. Res. 189. Joint resolution authorizing the Postmaster General to provide the postmaster at Lamar, Colo., with a special canceling die for the third national convention of the Young Men's Business Associations of America (Rept. No. 1120);

S. J. Res. 212. Joint resolution authorizing the Postmaster General to provide the postmaster at Wichita, Kans., with a special canceling die for the fall carnival and exposition of that city (Rept. No. 1121); and

H. J. Res. 203. Joint resolution authorizing the Postmaster General to provide the postmaster of Southbridge, Mass., with a special canceling die for the Southbridge one hundredth anniversary celebration (Rept. No. 1122).

Mr. LEA of Tennessee, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment:

S. 379. A bill to authorize the acceptance of certain lands by the United States for a military park reservation, and for other purposes; and

S. 5096. A bill for the relief of Henry von Hess.

Mr. JOHNSON of Maine, from the Committee on Pensions, to which was referred the amendment submitted by himself on the 26th instant, proposing to appropriate \$1,200 to pay Dennis M. Kerr for extra and expert services rendered to the Committee on Pensions during the second session of the Sixty-fourth Congress, etc., reported it favorably, without amendment, and moved that it be referred to the Committee on Appropriations and printed, which was agreed to.

Mr. OWEN, from the Committee on Indian Affairs, to which was referred the bill (H. R. 10872) making an appropriation to Stuart, Lewis, Gordon & Rutherford, in payment of legal services rendered by them to the Creek Nation, reported it without amendment and submitted a report (No. 1118) thereon.

Mr. CATRON, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 5182. An act requiring the Secretary of War to issue an honorable discharge to Benjamin R. Buffington (S. Rept. No. 1123); and

H. R. 5948. An act for the relief of Hays Gaskill (S. Rept. No. 1124).

ADDITIONAL JUDGES.

Mr. OVERMAN. From the Committee on the Judiciary I report back favorably with amendments the bill (H. R. 5788) to create two additional associate justices of the Supreme Court of the District of Columbia, and I ask for its present consideration. I wish to say that this bill has passed the House unanimously, and it comes here with a unanimous report from the Judiciary Committee. The District of Columbia is in a bad condition in regard to courts. We have investigated the matter thoroughly. For 300,000 people there are only six judges. We think the number ought to be increased, and I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The first amendment was, on page 1, line 5, after the word "justices," to insert the words "of the court of appeals of the District of Columbia, and two additional associate justices."

The amendment was agreed to.

The next amendment was, in line 9, to strike out the words "supreme court" and insert the words "courts, respectively."

The amendment was agreed to.

The next amendment was, in line 9, after the word "receive," to insert the word "respectively."

The amendment was agreed to.

Mr. LEA of Tennessee. I offer an amendment to the bill.

Mr. OVERMAN. I ask that the title be amended, but I suppose that will come after the bill is passed.

The VICE PRESIDENT. We are not near the title yet. The Senator from Tennessee offers an amendment, which will be read.

Mr. LEA of Tennessee. I offer an amendment creating a judge for the middle district of Tennessee. There is no other opportunity to have it become a law. It is the same as the bill which passed the Senate the other day.

The VICE PRESIDENT. The amendment will be read.

The SECRETARY. It is proposed to add at the end of the bill the following:

SEC. 2. That hereafter there shall be for each of the two judicial districts, to wit, the middle district and the eastern district in the State of Tennessee, a district judge of the United States, who shall be appointed by the President, by and with the consent of the Senate, and who shall possess the same qualifications and shall have the same powers and jurisdiction, and receive the same compensation prescribed by law in respect to district judges of the United States: *Provided*, That the judge now acting in both said districts shall continue to act in both said districts until a judge is appointed and qualified for the middle district as hereinafter provided.

That the district judge now holding office and acting for both said districts shall be assigned to and hereafter be the district judge for the eastern district in said State.

That the eastern district of said State shall be composed of the counties embraced in the eastern grand division of the State of Tennessee.

That the middle district of said State shall be composed of the counties now embraced in the middle grand division of the State of Tennessee.

That the President of the United States, by and with the advice and consent of the Senate, shall appoint the district judge for the middle district in said State, who shall, as to all business and proceedings arising in said middle judicial district, possess and exercise all the powers conferred by existing law upon judges of the district courts of the United States, and who shall succeed to and possess the same powers and perform the same duties within the said middle judicial district as are now possessed and performed by the district judge acting for both said districts in said State.

That terms of court may be held in the eastern judicial district of said State at the places and in the manner now prescribed by law.

That terms of court may be held in the middle judicial district of said State at Nashville, in said State, in each year on the first Mondays of April and October, and at Cookeville, in said State, on the first Mondays in February and June, after the passage of this act.

That the clerks of the courts of the eastern judicial district of Tennessee and the marshal and district attorney for said district shall perform the duties of their offices in the manner now prescribed by law for said district.

That the clerk of the court for the middle judicial district of Tennessee and the marshal and district attorney for said district shall keep their offices in the city of Nashville, in said State, and shall do and perform all the duties appertaining to their offices for said court.

That terms of court may be held at the places prescribed by this act and in the manner now prescribed by law in the middle judicial district by the judge of the eastern judicial district, or in the eastern judicial district by the judge of the middle judicial district, provided it is mutually agreed by and between the judges of each of said districts that the public interest demands it.

That all laws and parts of laws so far as inconsistent with the provisions of this act are hereby repealed.

Mr. OVERMAN. I can not accept that amendment. This is a bill which passed the House unanimously, and if there is placed on it an amendment creating a judge in Tennessee the District here can not get the relief they are entitled to. I hope the amendment of the Senator from Tennessee will be voted down. I do not want to antagonize the Senator's bill; I voted for it in committee; but it ought not to go on this bill, because if it goes on this bill neither the Senator's bill nor this bill can pass.

Mr. LEA of Tennessee. I believe if it goes on this bill both will pass, and if it does not go on the bill I do not believe either will pass.

Mr. JAMES. The bill reported by the Senator from North Carolina has passed the House.

Mr. LEA of Tennessee. And if the House concurs in this amendment, both Tennessee and the District of Columbia will have relief. We need in Tennessee an additional judge as much as they need two additional judges in the District of Columbia. If I can prevent the bill creating the two judges for the Dis-

trict of Columbia from passing without the amendment, it will not pass.

Mr. OVERMAN. I want to say to the Senator from Tennessee that if the bill goes to conference and the House conferees object to the amendment, I shall, for one, recede from it. With that understanding, I will let the amendment go on the bill.

Mr. LEA of Tennessee. I am very glad to hear that.

Mr. OVERMAN. I, for one, shall recede at once from the amendment if the House conferees object to it; and I want to give that notice.

Mr. LEA of Tennessee. My belief is that the House will concur in the amendment and that both Tennessee and the District of Columbia will receive the relief which they need.

Mr. CLARK. Mr. President, I very much regret to see this amendment go on the bill, because I believe that it will jeopardize both bills. I was in favor of the Tennessee bill, and I am still in favor of it, but I am also in favor of the District of Columbia bill. The fact of the matter is that the courts in this District are tremendously congested, and have been so for four years. Their dockets are months and even years behind. It is impossible for them to transact the constantly accumulating and growing business of the District. I regret that this complication has arisen, because I fear the result. While, of course, I shall do nothing that would be adverse to the decision of the acting chairman of the committee, I had hoped that it might be different.

The VICE PRESIDENT. The question is on the amendment of the Senator from Tennessee [Mr. LEA].

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read:

A bill to create two additional associate justices of the Court of Appeals of the District of Columbia and two additional associate justices of the Supreme Court of the District of Columbia, and for other purposes.

DONATION OF LANDS TO UNIVERSITY OF NEBRASKA.

Mr. NORRIS. From the Committee on Public Lands I report back favorably, without amendment, the bill (S. 8307) authorizing the granting of patent to certain lands adjacent to the agricultural experiment station at Scottsbluff, Nebr., to the regents of the University of the State of Nebraska for dry-land agricultural experiment purposes, and I submit a report (No. 1111) thereon.

The report is a unanimous one upon the bill, which proposes to give some public land to the University of Nebraska for experimental farming purposes. The bill has received the approval of the Secretary of the Interior, of the Secretary of Agriculture, and a similar bill in exact language has received the unanimous report of the Committee on the Public Lands of the other House. I ask unanimous consent for the present consideration of the bill.

Mr. SMOOT. Mr. President, there is so much confusion in the Chamber that I could not hear what the Senator from Nebraska said.

Mr. NORRIS. I thought I was talking loudly enough to be heard.

Mr. SMOOT. The Senator was talking loudly.

Mr. NORRIS. But I will repeat my statement. The bill which I have just reported provides for giving to the University of the State of Nebraska some public land for farm experimental purposes. I repeat, it has received the approval of the Public Lands Committee of the Senate, of the Secretary of Agriculture, of the Secretary of the Interior, and a bill in exactly the same form has been unanimously reported by the Committee on the Public Lands of the other House. The bill contains a provision that whenever the State of Nebraska ceases to use the land, according to the terms of the bill, for experimental purposes it shall revert to the United States.

Mr. SMOOT. Did the Senator state that the bill had been reported from the Committee on Public Lands of the Senate?

Mr. NORRIS. Yes.

Mr. SMOOT. I have not received a notice of a meeting of the committee or heard anything in reference to the bill.

Mr. NORRIS. I think the Senator signed the report on the bill.

Mr. SMOOT. I do not remember that. However, so far as I am concerned, if the bill contains the provision that the land is to revert to the Government if it is not used—

Mr. NORRIS. It contains such a provision.

Mr. SMOOT. I have no objection to the present consideration of the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It authorizes the Secretary of the Interior to issue patent to the regents of the University of the State of Nebraska for dry-land agricultural experiments to the east half of section 30 and the west half of section 29, township 24 north, range 55 west; also the west half of the northeast quarter and the west half of the southeast quarter, section 29, township 24 north, range 55 west, sixth principal meridian, in the State of Nebraska, but in the event the lands cease to be needed or used for the purposes mentioned they shall revert to the Government of the United States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FEDERAL PROBATION SYSTEM.

Mr. CUMMINS. For the Judiciary Committee I report favorably and without amendment the bill (H. R. 20414) for the establishment of a probation system in the United States courts, except in the District of Columbia, and I ask unanimous consent for its present consideration.

I may say that it is simply a bill to restore to the Federal courts the power of suspending sentences, which they have exercised from time immemorial, but which now seems to be questioned or denied.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. PENROSE. Let the bill be read, Mr. President.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That the courts of the United States having original jurisdiction of criminal actions, except in the District of Columbia, shall have power in any case, except those involving treason, murder, rape, arson, kidnapping, or a second conviction of a felony, after conviction or after a plea of guilty of a felony or misdemeanor and after the imposition of a sentence thereon, but before commitment, to place the defendant upon probation, provided that it shall appear to the satisfaction of the court that the ends of justice and the best interests of the public, as well as of the defendants, would be subserved thereby, and may suspend the execution of the sentence for such time and upon such terms as may be deemed best. The probationer shall be provided by the clerk of the court with a written statement of the terms and conditions of his probation at the time when he is placed thereon. He shall observe the rules prescribed for his conduct by the court and report as directed. No person shall be put on probation except with his or her consent.

SEC. 2. That upon the expiration of the term fixed for such probation the court may thereupon discharge the probationer from further supervision, or may extend the probation, as shall seem advisable. At any time during the probationary term the court may modify the terms and conditions of the order of probation, or may terminate such probation, when in the opinion of the court the ends of justice shall require, and when the probation is so terminated the court shall enter an order discharging the probationer from serving the imposed penalty; or the court may revoke the order of probation and cause the rearrest of the probationer and require him to serve the sentence or pay the fine originally imposed, or both, as the case may be, and the time of probation shall not be taken into account to diminish the time for which he was originally sentenced.

SEC. 3. That the provisions of this act shall also apply to cases where a judge or judges of courts of the United States of original jurisdiction have heretofore, after a plea or verdict of guilty, suspended the imposition or execution of sentence.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EDITH BLANKART FUNSTON.

Mr. PHELAN. From the Committee on Pensions I report back favorably without amendment the bill (S. 8316) granting a pension to Edith Blankart Funston, widow of the late Maj. Gen. Frederick Funston, and I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Edith Blankart Funston, widow of Frederick Funston, late a major general in the United States Army, and pay her a pension at the rate of \$100 per month in lieu of that to which she is entitled by law.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MARGARET N. BAUSKETT.

Mr. LEA of Tennessee, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate resolution 369, reported favorably thereon and

it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Margaret N. Bauskett, widow of William T. Bauskett, late clerk to the Committee on Claims of the United States Senate, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. OWEN. Mr. President, I ask the Senate to proceed to the consideration of Senate bill 8259, Order of Business 947, the amendment to the Federal reserve act.

The VICE PRESIDENT. The Senator from Oklahoma asks unanimous consent that the Senate proceed to the consideration of Senate bill 8259, the amendment to the Federal reserve act.

Mr. SMOOT. Mr. President, I shall object until the morning business is over.

The VICE PRESIDENT. There is an objection. The presentation of bills and joint resolutions is in order.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES:

A bill (S. 8317) to authorize the Legislature of Alaska to establish and maintain schools, and for other purposes; to the Committee on Territories.

By Mr. RANSDELL:

A bill (S. 8318) to promote the safety of employees and travelers on railroads by compelling common carriers engaged in interstate commerce to equip their cars with automatic, adjustable fire extinguishers, and for other purposes; to the Committee on Interstate Commerce.

By Mr. BANKHEAD:

A bill (S. 8319) for the relief of Joseph A. Choate (with accompanying paper); to the Committee on Military Affairs.

A bill (S. 8320) to authorize the issue of a patent to certain land in Alabama to William M. Wilson (with accompanying paper); to the Committee on Public Lands.

By Mr. SMOOT:

A bill (S. 8321) granting a pension to Richard A. Norris (with accompanying papers); to the Committee on Pensions.

By Mr. CLARK:

A joint resolution (S. J. Res. 219) authorizing the Secretary of the Interior to suspend action upon applications for patents to withdrawn oil or gas lands in connection with which agreements have been or may be made under the act of Congress, approved August 25, 1914; to the Committee on Public Lands.

DIVERSIONS OF WATER FROM NIAGARA RIVER.

Mr. WADSWORTH. I introduce a joint resolution, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The joint resolution will be read.

The joint resolution (S. J. Res. 218) extending the time within which the "Joint resolution authorizing the Secretary of War to issue temporary permits for additional diversions of water from the Niagara River" shall remain in effect was read the first time by its title and the second time at length, as follows:

Resolved, etc., That Public resolution No. 45, of the Sixty-fourth Congress, approved January 19, 1917, entitled "A joint resolution authorizing the Secretary of War to issue temporary permits for additional diversions of water from the Niagara River," is continued in full force and effect, and under the same conditions, restrictions, and limitations, until July 1, 1918.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. HUSTING. I object.

Mr. WADSWORTH. Mr. President, I ask the Senator from Wisconsin to withdraw his objection for a moment, and perhaps I shall be able to explain the matter in such a way that he will not persist in his objection.

Mr. HUSTING. I should like to have the joint resolution go over and be printed so that I can look into it.

Mr. WADSWORTH. May I have the attention of the Senator from Wisconsin once more? Will the Senator not give me the opportunity to explain the very great emergency which exists, which this joint resolution is intended to meet? If, after the explanation, which will be exceedingly brief, the Senator from Wisconsin is not satisfied, of course he will be entitled to make his objection.

Mr. HUSTING. Very well.

Mr. WADSWORTH. Mr. President, the Senate will remember that some time prior to the Christmas holidays the Senate passed a joint resolution authorizing the diversion of 4,400 cubic feet of water per second from the Niagara River above the Falls at Niagara Falls, that 4,400 cubic feet per second

being the amount not then in use by the power companies, but still authorized by the treaty between the United States and Great Britain. The Senate took favorable action, by unanimous consent, on that joint resolution, owing to the fact that the Canadian Government had commandeered at that time approximately 60,000 horsepower and prevented the exportation from the Canadian side to the industries on the American side of that amount of power. That joint resolution authorizing the American power companies to divert 4,400 cubic feet per second up to the treaty limit enabled those companies to supply the American industries with approximately the amount of power they had been deprived of by the Canadian embargo. The temporary permit expires on July 1.

It has been my hope that permanent legislation could be enacted at this session of Congress regulating the diversion of water from the Niagara River and making it possible for the diversion on the American side to be maintained at the treaty limit. It is now apparent that no permanent legislation is possible. The 52,000 horsepower which the temporary permit enabled the industries on the American side to make use of will be abandoned on July 1 next if the joint resolution which I have now introduced to continue the permit for another year is defeated at this session of Congress.

In addition to that, since the passage of the joint resolution giving this temporary permit up to July 1 next, the Canadian Government has notified the power companies on the Canadian side that by April 1 next 50,000 additional horsepower will be taken away from the American industries on the American side. So that, with the withdrawal of 50,000 horsepower in addition to what has already been withdrawn, a total of 110,000 horsepower will have been withdrawn from American industries.

The result will be a catastrophe not only to the industries at Niagara Falls but also to industries all over the United States. I have it on the most excellent authority that if the industries at the Falls are deprived of a total of 110,000 horsepower during the next summer, which will be the event in case this joint resolution extending the temporary permit fails of passage, the Navy Department will be unable to secure shells for the guns or armor for the battleships, because the electrochemical industries at Niagara Falls manufacture those alloys and metals which are necessary in the manufacturing of armor and projectiles in the great steel plants of the United States. There are many other industries that are entirely dependent upon the electrochemical industries at Niagara Falls. There is no other source of supply for various ingredients that go into some of the most important products of the industries of the United States.

It is for that reason that I have introduced this joint resolution and asked unanimous consent that it be adopted, extending the use of that 4,400 cubic feet of water per second up to July 1, 1918, in the hope, may I say, that before that time shall arrive permanent legislation will be enacted by Congress.

I would not ask for unanimous consent for the consideration of the joint resolution this morning, let me say to the Senator from Wisconsin, did I not dread that, if it is not passed here this morning, it will not be passed by both Houses before Saturday night, in which event a great catastrophe will overtake industries of the country.

Mr. HUSTING. Mr. President, when the original joint resolution came before the Senate and was passed some time ago, I recognized the emergency and I raised no objection. Now, as I understand, the joint resolution introduced by the Senator from New York is to extend the time another year. I do not say that I am opposed to this joint resolution, or that I will prevent its adoption upon reflection and examination, for I think it should be adopted. I may, however, want to propose some amendments to the joint resolution, and for that reason I object to its consideration at this time, and ask to have it go over under the rule.

The VICE PRESIDENT. This is a joint resolution, and joint resolutions do not go over under the rule. The Chair will inquire what the Senator from New York desires done with the joint resolution? Shall it lie on the table, or shall it go to the Committee on Foreign Relations?

Mr. WADSWORTH. I ask that it be printed and lie on the table, my idea being that if it is referred to the Committee on Foreign Relations it can not be reported to the Senate in all probability until Thursday.

The VICE PRESIDENT. The joint resolution will lie on the table and be printed.

Mr. SHIELDS. Mr. President, before action on the joint resolution, I desire to say a word in regard to it.

The VICE PRESIDENT. There can be no action on it now. Objection was made to its consideration, and the joint resolution has been ordered to lie on the table.

Mr. SHIELDS. Then, before the matter is concluded, I desire to say a few words. This joint resolution is supplementary to a joint resolution which was passed some time ago, authorizing certain factories and manufacturing plants to use the water of the Niagara River until July 1, which was passed without objection by both Houses of Congress. It was an emergency measure. It was shown to both Houses that the great factories there, involving an investment of about \$100,000,000 and manufacturing exclusively articles that are used extensively in every part of the United States, would be compelled to shut down, and that it would not only result in a great injury to those plants, but would be a calamity to the people of the United States.

I have had a number of telegrams from manufacturing plants of various kinds in Tennessee, calling my attention to the matter, and saying that if they can not get goods that are manufactured exclusively by the plants at Niagara Falls they would be compelled to close down.

The first joint resolution was passed with the hope and expectation that before the adjournment of this Congress a bill, known as the Cline bill, providing for the use of the waters of the Niagara River above the Falls, to which the joint resolution of the Senator from New York applies, would be enacted during this Congress. That bill has passed the House and is now pending before the Foreign Relations Committee, or rather before a subcommittee of that committee. That committee has held extensive hearings, which have shown the necessity for immediate legislation upon this subject. I call the attention of the Senator from Wisconsin to the fact that, as he will, of course, remember, he himself appeared before that committee and was of the opinion that the bill, because of the magnitude and importance of the questions involved, ought not to be considered at the present session of Congress, but should go over to another session; and I am inclined to think, as suggested by the Senator from New York [Mr. WADSWORTH], that this will be necessary, and that it will be impossible to have that bill acted upon during the present Congress. Therefore this resolution is an emergency measure, which should be passed to avert great loss and damage to the people of New York and of many other States. I hope that either at this time or upon some other day, to suit the convenience of the Senator from Wisconsin, he will not object to it and that it may be favorably considered.

The companies who are now using the waters of the Niagara River for power purposes, and whom the resolution is intended to protect, are not trespassers. They are there under the authority of the laws of the State of New York, within the confines of which the waters used by them flow, and which holds them in trust for its people subject only to the power of Congress to control commerce on the river. It is conceded that they in no way interfere with the navigation of the river.

Mr. President, I wish to place in the RECORD a telegram that I happen to have on my desk from the president of a great manufacturing plant at Kingsport, Tenn., in regard to the necessity for the continuance of the operation of these plants at Niagara Falls. I wish to have the telegram read.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read the telegram, as follows:

KINGSPORT, TENN., February 23, 1917.

Senator JOHN K. SHIELDS,
Washington, D. C.:

We depend upon electrochemical manufacturers at Niagara Falls for supplies of graphite and other products to keep our electrolytic department running. Any curtailment in quantity of power generated at Niagara Falls will greatly interfere with the possibility of our running constantly at full capacity and make it necessary for us to curtail our employment of labor. Any action of Congress making it impossible for the companies at Niagara Falls to generate power to the maximum of their present equipment will seriously affect the industries throughout the whole country using these products. We earnestly request you to use your efforts to prevent such action.

FEDERAL D. & C. CORPORATION,
JNO. C. HERBEN, Vice President.

INVESTIGATION OF FOOD SUPPLIES.

Mr. BORAH. I ask that the joint resolution (S. J. Res. 216) providing for an investigation into the cause of the rise in prices of foodstuffs and furnishing relief for those who are in need, introduced by me on yesterday, and which I asked to lie on the table, may be taken from the table and referred to the Committee on Appropriations.

The VICE PRESIDENT. The joint resolution will be referred to the Committee on Appropriations.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. STERLING submitted an amendment proposing to appropriate \$1,500 for necessary traveling expenses incurred by the survivors of the first and second expeditions made in exploring

the Grand Canyon of the Colorado, etc., respectively, in August, 1869, and September, 1872, etc., intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment authorizing the Secretary of the Senate to regulate the pay of officers and employees of the Senate borne on the roll known as the soldiers' roll in conformity with the pay of messengers of the Senate, etc., intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was referred to the Committee on Appropriations and ordered to be printed.

Mr. OWEN submitted an amendment proposing to appropriate \$50,000 for mechanical equipment needed for the completion of the United States post-office and courthouse building at Muskogee, Okla., etc., intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was ordered to be printed and with the accompanying papers referred to the Committee on Appropriations.

Mr. WADSWORTH submitted an amendment proposing to appropriate \$1,400,000 to acquire by purchase and to receive the transfer of the New York Maritime Quarantine Station buildings and grounds, floating and all other equipment, etc., intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was referred to the Committee on Appropriations and ordered to be printed.

Mr. O'GORMAN submitted an amendment proposing to appropriate \$5,335.71 to pay the claim of Watson B. Dickerman, administrator of the estate of Charles Bachman, deceased, intended to be proposed by him to the general deficiency appropriation bill (H. R. 21069), which was referred to the Committee on Appropriations and ordered to be printed.

Mr. BROUSSARD submitted an amendment providing that no officer of the Medical Reserve Corps shall be entitled to retirement or retirement pay, nor shall he be entitled to compensation except for physical disability incurred in the line of duty and while on active duty, etc., intended to be proposed by him to the Army appropriation bill (H. R. 20783), which was referred to the Committee on Military Affairs and ordered to be printed.

Mr. MARTINE of New Jersey submitted an amendment proposing to appropriate \$200,000 for the purchase or condemnation of tracts of land known as Great Peace Meadows, in the State of New Jersey, for a suitable target range, etc., intended to be proposed by him to the Army appropriation bill (H. R. 20783), which was referred to the Committee on Military Affairs and ordered to be printed.

Mr. SWANSON submitted an amendment making applicable the parole system provided for United States prisoners under the act of June 25, 1910, to all prisoners convicted in any criminal court in the District of Columbia, intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SHEPPARD submitted an amendment proposing to appropriate \$45,000 for a quarantine station at Galveston, Tex., intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was referred to the Committee on Appropriations and ordered to be printed.

Mr. JONES submitted an amendment for medical relief in Alaska, from \$50,000 to \$62,500, intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to appropriate \$20,000 for botanical exploration in Central and South America, etc., intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was referred to the Committee on Appropriations and ordered to be printed.

THE REVENUE.

Mr. O'GORMAN submitted an amendment intended to be proposed by him to the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes, which was ordered to lie on the table and to be printed.

INVESTIGATION OF FOOD SUPPLIES.

Mr. BORAH. Mr. President, I have a letter from the Attorney General of the United States touching the subject of food inquiry and investigation, which I ask to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., February 21, 1917.

HON. WILLIAM E. BORAH,
United States Senator, Washington, D. C.

DEAR SENATOR: I have read your remarks in the Senate on the enforcement of the law against combinations to increase prices, as reported in the CONGRESSIONAL RECORD of yesterday. I will try to answer the very reasonable inquiries which were in your mind.

To begin with, however, I will ask you to bear in mind that there are two broad limitations upon the power of this department in the field in question:

First, increases in prices brought about, not by agreement, conspiracy, or monopoly, but by a common selfish impulse of traders to take advantage of the extraordinary condition of the times, are not punishable under any existing Federal law, no matter how completely lacking in economic justification, no matter how extortionate.

Second, sales of commodities by retailers to consumers in the various cities and communities generally fall outside the field of interstate commerce and therefore outside the jurisdiction of the Federal Government.

Within these limitations the Department of Justice has brought to bear its full energy. Immediately after the outbreak of the European war, in August, 1914, when the first marked increases took place, the Attorney General instructed the various United States district attorneys and the various agents of the Bureau of Investigation throughout the country to make inquiry in their respective communities for the purpose of ascertaining whether any such increases were due to agreements or conspiracies in restraint of interstate trade. These instructions have been repeated from time to time since.

Except in two or three cases no evidence has been discovered up to this time to justify indictments under the Federal statutes. The inquiries are still proceeding, however. Indeed, I have no doubt that the beginning of an investigation by the grand jury in the southern district of New York was the controlling factor in bringing some of the leading manufacturers of news print paper to the point where they were willing to agree that the price be arbitrated by the Federal Trade Commission.

One of the principal inquiries has been with respect to coal. This brings me to one obvious defect in the existing laws for the regulation of trade.

The control of anthracite coal—the principal domestic fuel in the East—has become centered in a few railroads, thus uniting the functions of production and transportation. To no small extent the same situation exists with respect to bituminous coal. The Massachusetts Commission on the High Cost of Living, in a report published a few weeks ago, after pointing out the evil consequences of this condition, made the following recommendation:

"Because of the conditions here summarized, your commission believes that it is not only to the interest of the citizens of Massachusetts but also for the general welfare of large sections of the United States that the production and marketing of anthracite coal should be freed entirely from the control or influence of the railroads that are the initial carriers of the coal."

As you know, the so-called commodities clause of the act to regulate commerce was intended to eradicate this evil. A majority of the Supreme Court, however, having held that a railroad may own the stock of a coal-mining company without having any interest, direct or indirect, in the coal produced by the company, the legislation has failed to accomplish its purpose. The Attorney General has for the last two years strongly recommended that the commodities clause be amended so as to accomplish a complete divorce between transportation and production. A bill to carry this recommendation into effect has been drafted and a copy is inclosed herewith for your information. I also inclose a copy of a statement made to the House Committee on Interstate Commerce by the Assistant to the Attorney General in support of the bill.

Another condition which has been brought out in the course of the department's investigation is the existence of associations in almost every branch of trade. These associations perform some very useful functions. They also in many instances make their influence felt in maintaining prices, in such a subtle and intangible way, however, that it is impossible to convict them of violating the law. It hardly seems desirable to prohibit such associations altogether, but the question arises, in view of their undoubted influence in maintaining prices, whether traders, as a condition of being permitted to form such associations, should not be required to assume the burden of establishing the reasonableness of their prices when challenged.

Another suggestion which has occurred to those of us who have been dealing with the problem is whether the charging of extortionate prices in interstate commerce should not be made, per se, an offense, although not the result of either conspiracy or monopoly.

Still another suggestion is whether the great produce exchanges and stockyards of the country, which constitute the primary market places for our foodstuffs, should not be under much closer governmental scrutiny and regulation than now prevails, to the end, amongst others, of insuring against the employment of their facilities in transactions which create false impressions of the conditions of supply and demand and artificially affect prices. Without stopping now to inquire how far the Federal Government could directly regulate such exchanges, it could doubtless accomplish the same objects by prescribing the conditions upon which they should be permitted to use the mails, the telegraph, and other instrumentalities of interstate communication in carrying on their business.

Finally, it appears desirable, and I have already suggested, that the warehouses of the country should be required to make to the Department of Agriculture, under oath, periodical reports of the quantities of produce in storage. I am advised that a bill to this end has heretofore been introduced either in the House or the Senate, and perhaps in both Houses.

In view of the fact that the President has directed the Department of Agriculture and the Federal Trade Commission to conduct an inquiry into this whole subject with a view to proposing remedies, I do not feel that the time is now ripe for me to make any more definite suggestions than those above.

There is one final thought, Senator, which I should like to have you and others have in mind in assessing the work of this department in the enforcement of the antitrust laws. The executive department alone can not enforce those laws. It must have the sympathetic cooperation of the Federal courts. I regret to say that a number of the Federal judges always have been and are still apparently reluctant to

enforce the Sherman Act. I do not mean to charge that they attempt deliberately to obstruct the will of Congress. I assume that their views of public policy do not agree with those of Congress as expressed in the Sherman Act and that unconsciously they permit their own views as to what the law should be to affect their construction of the law as it is written.

I will give an example or two. In the case against the American Can Co. the United States District Court for the District of Maryland, after expressly finding in its decree—

"That the defendant, the American Can Co., was organized as a combination to monopolize interstate trade in cans, and to attain the object of monopolizing said trade in interstate cans such trade was unlawfully restrained by it, and by those who formed it and directed its earlier activities, and that some of those individuals who formed it and directed its earlier activities are defendants in this cause and still participate in the management and control of the said defendant, the American Can Co."—

refused to order a dissolution of the combination as prayed by the Government, on the ground that to do so would be "inexpedient," in the opinion of the court. The contention of the Government was that Congress in the Sherman Act had declared that it is expedient to dissolve such combinations. In the event that you should wish to examine further into this case, you will find full information in the accompanying documents:

The first opinion of the court.

The motion of petitioner for final decree and supporting brief.

The decree and supplemental opinion of the court.

The Government's assignment of errors on appeal to the Supreme Court.

Another case of judicial laxity, as we regard it, recently occurred in the District Court for the Southern District of Iowa, presided over for the time being by Judge Pollock, of Kansas. After a long and expensive investigation the Government developed conclusive evidence that the members of an association of dealers in plumbing supplies, with country-wide ramifications, had combined to monopolize the trade by boycotting any manufacturer or jobber of plumbing supplies who sold to others than members of the association. Indictments were found in three different sections of the country. The first to come to trial was in the southern district of Iowa. The defendants were convicted. They appealed, and sentence was suspended on all but two pending the outcome of the appeal. The Circuit Court of Appeals for the Eighth Circuit affirmed the conviction. Thereupon, in December last, the defendants were brought before Judge Pollock for sentence. What took place was reported by the district attorney in substance as follows:

After first stating that the defendants were not guilty of any violation of the law in the ordinary sense and that he would not impose any sentences which would bear heavily upon them, he imposed trivial fines ranging from \$50 to \$150. He then asked the defendants in substance, according to the report to the department, to tell him whether they were able to pay these fines, the implication being, I suppose, that if they said they were not he would reduce them still further.

I did not intend to write at such great length, but the reasonableness and moderation of your remarks, contrasting so strongly with the heedless and unjust criticism so often directed against those charged with the enforcement of the law, led me to believe that a fairly full statement on the subject might not be unwelcome to you.

Very truly, yours,

T. W. GREGORY,
Attorney General.

REPUBLIC COAL CO.

Mr. MYERS. Mr. President, I rise to a privileged question—the report of the committee of conference on Senate joint resolution 50, which was a resolution to sell the coal of a certain area of land in Montana to the Republic Coal Co. I report that the Senate and House conferees have not come to any agreement, and I move that the Senate conferees be discharged and that the Senate concur in all of the House amendments.

I will give a word of explanation in regard to why I make that motion, and I will tell what the amendments of the House were.

As the joint resolution passed the Senate it provided for the sale of this coal at a figure not less than the appraised price, to be fixed by the Secretary of the Interior. The House struck that out and provided for the lease of the coal under such terms and conditions as the Secretary of the Interior might impose. As it passed the Senate the acreage was 1,440 acres. The House amended it and cut it down to 640 acres. The House put on a provision that the coal should not be sold in the market, and should only be sold to the Chicago, Milwaukee & St. Paul Railway.

The only amendment about which there was any difference between the House conferees and the majority of the Senate conferees was that which related to sale or lease. The majority of the Senate conferees had no objection to cutting down the area to 640 acres. The majority of the Senate conferees had no objection to the House amendment that the coal could only be sold to one customer—the Milwaukee Railroad. The only point of difference between the House conferees and the Senate conferees was as to whether it should be a sale or a lease. The Senate conferees wanted sale alone; the House conferees wanted lease alone. I believe that a majority of the Senate conferees were willing to make it "sale or lease," but the House conferees would not accept that. With them it was lease alone or nothing.

I believe that the majority of the Senate conferees would give in to the House conferees on every point and would report here a conference report recommending that every amendment of the House be concurred in; but what is the use of that? If a majority of the Senate conferees are of that mind a simpler method is to report a disagreement, as I have done, and to move the discharge of the Senate conferees and to move that all of the House

amendments be concurred in. This is what should have been done in the first place, I believe; and I think the Senate ought to uphold the motion I have made to accept every amendment of the House. I am willing to do it, I believe a majority of the Senate conferees are willing to do it, and there is a precedent for leasing coal land on the public domain to a corporation in the case of the Owl Creek Coal Co. in Wyoming, where a resolution passed both House and Senate about seven years ago to lease certain coal lands to the Owl Creek Coal Co. in Wyoming.

This is a matter of great necessity, and I hope that the Senate will concur in the House amendments.

Mr. SMOOT. Mr. President, has the morning business closed?

The VICE PRESIDENT. No; the morning business has not closed.

Mr. SMOOT. Then, Mr. President, the motion made by the Senator from Montana is not in order.

Mr. MYERS. Is not a report of a conference committee in order at any time, Mr. President?

Mr. SMOOT. It is in order to present it, Mr. President, but not to consider it.

The VICE PRESIDENT. It is in order to present it.

Mr. MYERS. But may not the motion accompany the report?

Mr. SMOOT. I make the point of order that the motion is not in order.

The VICE PRESIDENT. The presentation of conference reports is always in order, except under certain circumstances which do not now exist. They can only be taken up upon motion or by unanimous consent. Objection is made to taking it up now, and the objection will be sustained.

Mr. MYERS. Then I ask leave to renew the motion immediately upon the conclusion of the morning business.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8229) to establish a national military park at the battle field of Guilford Courthouse.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills:

S. 8227. An act granting the consent of Congress to the city of Fort Atkinson, in Jefferson County, Wis., for the construction of a bridge across the Rock River;

S. 8295. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors; and

H. R. 20451. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

PENSIONS AND INCREASE OF PENSIONS—CONFERENCE REPORT.

Mr. HUGHES submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 8296) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses, as follows:

That the House recede from its amendments numbered 3, 9, 13, 14, 18, and 19.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 4, 5, 6, 7, 8, 10, 11, and 15, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 16, and agree to the same with an amendment, as follows: Restore the matter stricken out by such amendment, amended to read as follows:

"The name of Herbert G. Hoots, late of Company F, Fifteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 21, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"The name of William F. Core, late of Company A, One hundred and fifty-eighth Regiment Indiana Volunteer Infantry, War with Spain, and pay him a pension at the rate of \$12 per month."

And the House agree to the same.

The committee of conference have been unable to agree on the amendments of the House numbered 12, 17, and 20.

WM. HUGHES,

REED SMOOT,

Managers on the part of the Senate.

J. A. KEY,

JAMES KEATING,

SAM R. SELLS,

Managers on the part of the House.

The report was agreed to.

Mr. HUGHES. I move that the Senate further insist upon its amendments, agree to the further conference asked for, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. JOHNSON of Maine, Mr. HUGHES, and Mr. SMOOT conferees at the further conference on the part of the Senate.

The VICE PRESIDENT. The morning business is closed.

NAVAL APPROPRIATIONS.

Mr. SWANSON. I move that the Senate proceed to the consideration of House bill 20632, the naval appropriation bill.

Mr. NEWLANDS. Mr. President—

Mr. MYERS. Mr. President, I ask the Senator from Virginia if he will not withhold that motion for a few minutes, so that I can make a motion to take up the conference report, of which I spoke a short time ago?

Mr. SWANSON. I can not withhold it.

The VICE PRESIDENT. The Senator from Virginia moves that the Senate proceed to the consideration of House bill 20632, the naval appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20632) making appropriations for the naval service for the fiscal year ending June 30, 1918, and for other purposes.

Mr. NEWLANDS. Mr. President, I desire to ask the Senator from Virginia whether he can not give an opportunity for the consideration of the bill for the enlargement of the Interstate Commerce Commission, which has already progressed and which, I think, is near a final determination?

Mr. SWANSON. Mr. President, I can not do so this morning. I will state that I had an understanding yesterday with the Senator from Oklahoma [Mr. OWEN], who was very urgent yesterday, that if he would let me make this motion and get this bill before the Senate I would yield to him for 30 minutes today to see if he could not get up for consideration the bill in reference to the Federal reserve banks; and I can not yield to anyone else.

Mr. SMITH of Georgia. Mr. President, of course that requires unanimous consent.

Mr. SWANSON. That requires unanimous consent.

Mr. SMITH of Georgia. Senators can not parcel out the time.

The VICE PRESIDENT. No; that is thoroughly understood.

Mr. SWANSON. It is understood that it can only be done by unanimous consent.

Mr. NEWLANDS. I wish to ask the Senator from Virginia whether he can not, after the Senator from Oklahoma has disposed of his matter, grant to me a similar opportunity with reference to this important measure?

Mr. SWANSON. Mr. President, after the request of the Senator from Oklahoma is disposed of we can consider these other requests.

Mr. SMOOT. To save the time of the Senate, I want to say now that I shall object; so that we might just as well proceed with the naval appropriation bill.

Mr. OWEN. Mr. President, this amendment to the Federal reserve act is regarded as a very important matter in strengthening the financial condition of the United States in anticipation of the possible difficulty in which this country may be involved. I do not think it will take over 30 minutes to dispose of it. The main purpose of the measure is to drift into the hands of the Federal reserve banks the gold which is now carried in the pockets of the people, and which is serving no national function. It is a very important matter, not to be treated as a mere formality or a matter of no consequence. It is a matter of vast consequence. There are between two and three hundred million dollars of gold that ought to pass into the hands of the Federal reserve banks for the purpose of protecting this country; and in view of that I hope that Senators will not object to the consideration of the bill.

Mr. GRONNA. Mr. President—

Mr. OWEN. I yield to the Senator from North Dakota.

Mr. GRONNA. The Senator from Oklahoma knows, I think, that I am very much interested in this bill; but I will say to him that he can not pass it in 30 minutes, because I shall ask for some time to discuss it. I think the Senate ought to have some information about this bill. It is one of the most important measures that has been before Congress or that possibly can come before Congress. While I do not say that I shall oppose the bill, I want to have the privilege of offering certain amendments; I want to have an opportunity to discuss the changes that are being made in the present law; and I will say to the Senator that it will not pass this body in 30 minutes.

Mr. OWEN. Mr. President, I have presented the reasons which justify the consideration of the bill by the Senate. Under the rules of the Senate an objection will put this matter over, and that is left to the responsibility of Senators who care to make the objection.

The VICE PRESIDENT. The Chair deems it right to notify the Senator from Oklahoma that he can move to proceed to the consideration of this bill.

Mr. OWEN. Then I make that motion, Mr. President.

Mr. SWANSON. Mr. President, I can not consent to having the naval bill displaced.

The VICE PRESIDENT. It is not a question of consent; it is a question of making a motion. The Senator from Oklahoma moves that the Senate proceed to the consideration of Senate bill 8259.

The motion was rejected.

The VICE PRESIDENT. The Secretary will continue the reading of the naval appropriation bill.

Mr. FLETCHER. Mr. President, I desire to say that there is a very important matter that ought to be acted upon by the Senate, and that is Senate bill 8168, with reference to shipping. People are complaining about the high cost of living and about the congestion of transportation throughout the country. The committee has reported this bill, which is intended to give certain powers to the Shipping Board to enable us to build up the American merchant marine. I want to bring that bill before the Senate at the very first opportunity. I do not believe that in its present form there is any serious objection to it. There may be one or two provisions that will be objected to; but I believe the bill could be acted on within a very short time, probably within an hour, anyhow. If there are valid reasons why the provisions which are alluded to should be eliminated, let the Senate say so, and let the other provisions of the bill be enacted, so that this matter can be attended to. It is a case of great emergency and it ought to receive the consideration of the Senate.

Mr. POINDEXTER. Mr. President, I demand the regular order.

Mr. FLETCHER. This is the regular order. We are discussing the naval appropriation bill.

Mr. POINDEXTER. The regular order, Mr. President, is the completion of the reading of the naval appropriation bill.

Mr. SWANSON. Mr. President, no motion is in order until the reading of the bill is concluded.

Mr. FLETCHER. Discussion of the bill, I take it, is in order at any time.

Mr. SWANSON. Not until the formal reading is concluded.

Mr. FLETCHER. I supposed it had been read.

Mr. MYERS. I desire to ask the Senator from Virginia if he will not yield—

Mr. SWANSON. I call for the regular order, which is the continuation of the reading of the bill.

The VICE PRESIDENT. The Secretary will proceed with the reading of the bill.

Mr. MYERS. Mr. President, I rise to a parliamentary inquiry. I wish to know if the demand of one Senator for the consideration of the revenue bill now will displace the naval bill and bring the revenue bill before the Senate?

The VICE PRESIDENT. Not until 2 o'clock.

Mr. MYERS. Well, I will wait until 2 o'clock.

The reading of the bill was resumed, beginning on line 4, page 72, and was concluded.

The PRESIDING OFFICER (Mr. PITTMAN in the chair). The first amendment of the committee will be stated.

The first amendment of the Committee on Naval Affairs was, under the subhead "Pay, miscellaneous," on page 3, line 10, after the words "not exceeding," to strike out "\$50,000" and insert "\$100,000"; in line 20, after the word "exceed," to strike out "\$200,000" and insert "\$215,000"; and in line 25, after the words "in all," to strike out "\$1,000,000" and insert "\$1,134,000."

For commissions and interest; transportation of funds; exchange; mileage to officers while traveling under orders in the United States, and for actual personal expenses of officers while traveling abroad under orders, and for traveling expenses of civilian employees, and for

actual and necessary traveling expenses of midshipmen while proceeding from their homes to the Naval Academy for examination and appointment as midshipmen; for actual traveling expenses of female nurses; actual expenses of officers while on shore patrol duty; mileage to officers of the Naval Reserve Force traveling under orders of the Secretary of the Navy; hire of launches or other small boats in Asiatic waters; for rent of buildings and offices not in navy yards, including the rental of offices in the District of Columbia; expenses of courts-martial, prisoners and prisons, and courts of inquiry, boards of inspection, examining boards, with clerks' and witnesses' fees, and traveling expenses and costs; expenses of naval defense districts; stationery and recording; religious books; newspapers and periodicals for the naval service; all advertising for the Navy Department and its bureaus (except advertising for recruits for the Bureau of Navigation); copying; ferrage; tolls, costs of suits; commissions, warrants, diplomas, and discharges; relief of vessels in distress; recovery of valuables from shipwrecks; quarantine expenses; reports; professional investigation; cost of special instruction at home and abroad, including maintenance of students and attachés; information from abroad and at home, not exceeding \$100,000, and the collection and classification thereof; all charges pertaining to the Navy Department and its bureaus for ice for the cooling of drinking water on shore (except at naval hospitals), telephone rentals and tolls, telegrams, cablegrams, and postage, foreign and domestic, and post-office box rentals; and other necessary and incidental expenses: *Provided*, That the sum to be paid out of the appropriation, under the direction of the Secretary of the Navy, for clerical, inspection, and messenger service in navy yards, naval stations, for the fiscal year ending June 30, 1918, shall not exceed \$215,000, and for necessary expenses for the interned persons and prisoners of war under the jurisdiction of the Navy Department, including funeral expenses for such interned persons or prisoners of war as may die while under such jurisdiction; in all, \$1,134,000.

The amendment was agreed to.

The next amendment was, on page 3, line 25, after "\$1,134,000," to insert:

Provided, That the Secretary of the Navy is authorized to lease for a period not to exceed three years storage facilities in the vicinity of the navy yard, Norfolk, at an annual rental of not exceeding \$14,000, to be paid out of the appropriation "Pay, miscellaneous."

Mr. PENROSE. I should like to inquire from the Senator having this measure in charge just why this proviso is necessary?

Mr. SWANSON. The proviso is necessary in order to enable the department to rent a building in Norfolk for the purpose of storing supplies. The department earnestly recommend it. They rent half the building there and are very desirous of renting the rest of it. They are building new shops at Norfolk, and when those are completed the old shops will be used for supply purposes, and the Government will pay no rental then. The department have been very insistent on this, because they have no place to store the supplies that are there, and they do not wish at this time to construct a building, as the old shops can be used for that purpose.

Mr. PENROSE. I should like to make a further inquiry. What is the character of the supplies that are stored there?

Mr. SWANSON. There is a letter here from the department. If the Senator will read what the Secretary says here, on page 3—

Mr. PENROSE. I thought, perhaps, the Senator, representing Norfolk here, would know all about it without referring to the record.

Mr. SWANSON. The Navy Department gives the information, and I can give it to the Senator very easily.

The last naval appropriation act included a provision for the rental of certain private property in the vicinity of the navy yard, Norfolk, Va., for storage purposes. Since this property has been leased, the space available has been almost entirely filled up with the regular stock of naval supply material; and reports received from the yard indicate that there is practically no available space for the accumulation of a stock of reserve material. All of the storage space at the yard, together with this addition, is being used for current needs.

The property rented from the Seaboard Wharf & Warehouse Co. is about half of this company's property fronting on the Elizabeth River. This company proposes to make certain changes in that part of the property not leased to the Government; but before doing so the suggestion has been made that the Government might desire to use the remaining portion of this property and the warehouses thereon for storage purposes, and if so this addition would be leased at an annual rental of \$14,000.

It is considered most desirable to take advantage of this proposal in order that the Government may have the use of this entire property, thus making available sufficient frontage on the river to moor vessels without paying wharfage charges on account of overlapping the property not covered by the lease. This additional storage space is very much needed, and it is recommended that a provision be inserted in the appropriation bill similar to that included in the bill last year, under Public Works, Bureau of Yards and Docks, for the navy yard, Norfolk, Va., at page 25, following line 25:

"The Secretary of the Navy is authorized to lease for a period not to exceed three years storage facilities in the vicinity of the navy yard, Norfolk, at an annual rental of not exceeding \$14,000, to be paid out of the appropriation 'Pay, miscellaneous.'"

The acquisition of this property will in no way relieve the situation with regard to the necessity for the erection of a large central storehouse within the yard limits. The lease of this property is a temporary expedient and is necessary on account of the congested conditions and the extraordinary amount of additional work at the Norfolk yard.

I will say in addition we do not wish to erect buildings there, because when the new shops are completed the old shops will be used for storage purposes.

Mr. PENROSE. One more inquiry, Mr. President. Why does this material have to be stored in Norfolk? Why could it not be stored in Charleston?

Mr. SWANSON. Where?

Mr. PENROSE. Why does this material necessarily have to be stored in Norfolk? Why could it not be stored at the Charleston Navy Yard with great convenience?

Mr. SWANSON. Always the material there is stored for the use of the Navy. That is all the information I can give.

Mr. PENROSE. Why not at the navy yard at Charleston?

Mr. SWANSON. It is for the use of the naval forces and the naval people at Norfolk.

Mr. PENROSE. Does the Senator mean to maintain that the Charleston Navy Yard is not fitted for the storage of this material?

Mr. SWANSON. I have made no such contention.

Mr. PENROSE. I was asking why Norfolk was selected in preference to Charleston?

Mr. SWANSON. I will say the Senator was on the subcommittee that passed upon this bill, and—

Mr. PENROSE. Unfortunately I was not present.

Mr. SWANSON. The Senator could have gotten all the information he desired.

Mr. PENROSE. Perhaps the location of the clothing plant at Charleston was considered sufficient for that station and so the storage plant is put here. But I do not know, Mr. President. It is a local matter.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment was, on page 6, after line 21, to insert:

The balances under the several items of the appropriation "National Advisory Committee for Aeronautics," carried in the act making appropriations for the naval service for the fiscal year ending June 30, 1917, approved August 29, 1916, are hereby consolidated into a single fund and may be expended by the committee for its purposes as stated in the paragraph of public act No. 271, Sixty-third Congress, approved March 3, 1915, establishing the committee.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Navigation," on page 8, line 17, after the word "parties," to strike out "\$319,228.84" and insert "\$419,228.84," and in line 18, after "\$419,228.84," to strike out "Provided, That not exceeding \$500 shall be expended for the purchase of motor-propelled passenger-carrying vehicles," so as to make the clause read:

Recruiting: Expenses of recruiting for the naval service; rent of rendezvous and expenses of maintaining the same; purchase, rental, maintenance, operation, exchange, and repair of motor-propelled passenger-carrying vehicles for official use; advertising for and obtaining men and apprentice seamen; actual and necessary expenses in lieu of mileage to officers on duty with traveling recruiting parties, \$419,228.84.

The amendment was agreed to.

The next amendment was, on page 9, after line 15, to insert:

That hereafter the Secretary of the Navy may authorize the senior officer present, or other commanding officer, on a foreign station to order boards of medical examiners, examining boards, and retiring boards for the examination of such candidates for appointment, promotion, and retirement in the Navy and Marine Corps as may be serving in such officer's command and may be directed to appear before any such board.

The amendment was agreed to.

The next amendment was, on page 14, line 14, after the words "in all," to strike out "\$85,000" and insert "\$92,000," so as to make the clause read:

Naval training station, California: Maintenance of naval training station, Yerba Buena Island, Cal.: Labor and material; buildings and wharves; general care, repairs, and improvements of grounds, buildings, and wharves; wharfage, ferrage, and street car fare; purchase and maintenance of live stock, and attendance on same; wagons, carts, implements, and tools, and repairs to same, including the maintenance, repair, and operation of one horse-drawn passenger-carrying vehicle to be used only for official purposes; fire engines and extinguishers; gymnastic implements, models, and other articles needed in instruction of apprentice seamen; printing outfit and materials, and maintenance of same; heating and lighting; stationery, books, schoolbooks, and periodicals; fresh water, and washing; packing boxes and materials; and all other contingent expenses; maintenance of dispensary building; lectures and suitable entertainments for apprentice seamen; in all, \$92,000.

The amendment was agreed to.

The next amendment was, on page 15, line 7, after the words "in all," to strike out "\$90,000" and insert "\$100,000," so as to make the clause read:

Naval training station, Rhode Island: Maintenance of naval training station, Coasters Harbor Island, R. I.: Labor and material; buildings and wharves; dredging channels; extending sea walls; repairs to causeway and sea wall; general care, repairs, and improvements of grounds, buildings, and wharves; wharfage, ferrage, and street car fare; purchase and maintenance of live stock, and attendance on same; wagons, carts, implements, and tools, and repairs to same, including the maintenance, repair, and operation of two horse-drawn passenger-carrying vehicles to be used only for official purposes; fire engines and extinguishers; gymnastic implements; models and other articles needed in instruction of apprentice seamen; printing outfit and materials, and

maintenance of same; heating and lighting; stationery, books, schoolbooks, and periodicals; fresh water, and washing; packing boxes and materials; and all other contingent expenses; lectures and suitable entertainments for apprentice seamen; in all, \$100,000: *Provided*, That the sum to be paid out of this appropriation under the direction of the Secretary of the Navy for clerical, drafting, inspection, and messenger service for the fiscal year ending June 30, 1918, shall not exceed \$5,701.60.

The amendment was agreed to.

The next amendment was, on page 16, line 10, after the words "Great Lakes," to strike out "\$90,000" and insert "\$96,400," so as to make the clause read:

Naval training station, Great Lakes: Maintenance of naval training station: Labor and material; general care, repairs, and improvements of grounds, buildings, and piers; street car fare; purchase and maintenance of live stock, and attendance on same; motor-propelled vehicles, wagons, carts, implements, and tools, and repairs to same, including the maintenance, repair, and operation of one motor-propelled passenger-carrying vehicle, and one horse-drawn passenger-carrying vehicle to be used only for official purposes; fire apparatus and extinguishers; gymnastic implements; models and other articles needed in instruction of apprentice seamen; printing outfit and material, and maintenance of same; heating and lighting, and repairs to power-plant equipment, distributing mains, tunnel, and conduits; stationery, books, schoolbooks, and periodicals; washing; packing boxes and materials; lectures and suitable entertainments for apprentice seamen; and all other contingent expenses: *Provided*, That the sum to be paid out of this appropriation under the direction of the Secretary of the Navy for clerical, drafting, inspection, and messenger service for the fiscal year ending June 30, 1918, shall not exceed \$1,500; in all, naval training station, Great Lakes, \$96,400.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Ordnance," on page 21, line 18, after the word "assistance," to strike out "\$705,611, to be available until expended," and insert "\$1,375,345, to be immediately available and to remain available until expended, and the limit of cost fixed in the naval appropriation act, approved August 29, 1916, is hereby removed."

So as to make the clause read:

Projectile plant: To complete the erection and equipment of a plant for the manufacture of projectiles, on a site to be selected by the President, including the employment of all necessary expert, drafting, and clerical assistance, \$1,375,345, to be immediately available and to remain available until expended, and the limit of cost fixed in the naval appropriation act, approved August 29, 1916, is hereby removed.

The amendment was agreed to.

The next amendment was, on page 22, line 10, after the word "exceeding," to strike out "\$5,781,174" and insert "\$6,381,174"; in line 11, before the word "available," to insert "immediately"; in the same line, after the word "available," to insert "and to continue available," and in line 12, after the date "1920," to strike out "\$4,131,174" and insert "\$4,731,174"; so as to make the clause read:

Batteries for merchant auxiliaries: For batteries for merchant auxiliaries (to cost not exceeding \$6,381,174), to be immediately available and to continue available until June 30, 1920, \$4,731,174.

Mr. LA FOLLETTE. Mr. President, what page?

The PRESIDING OFFICER. Page 22, line 10.

Mr. LA FOLLETTE. I call for the reading of the bill for amendment under the rule.

The PRESIDING OFFICER. The Secretary is now reading the amendments of the committee.

Mr. LA FOLLETTE. The bill is not being read for amendment under the rule, which I insist upon.

Mr. SWANSON. There is no rule requiring it. The formal reading of the bill was completed and the committee amendments are being considered. I asked unanimous consent that the formal reading of the bill should be dispensed with and that it be read for amendment, but that was refused. The amendments offered by the committee have precedence.

Mr. SMOOT. I have not asked that the bill be read; but whenever a request is made by a Senator that the bill shall be read for committee amendments it means the reading in full of the bill, not simply the reading of the amendments. That has been the universal practice.

Mr. LODGE. Where unanimous consent is given to dispense with the formal reading, the bill is then read for amendment; but where the formal reading has been had the bill can not be read again.

Mr. SMOOT. I am only stating what the practice has been.

Mr. LODGE. I think not. It has been held here repeatedly that when a bill has once been read formally it is then open to amendment at any point.

Mr. SMOOT. The formal reading of the bill was not dispensed with because there was objection, and after the formal reading of the bill then the bill is read for amendment.

Mr. SWANSON. The Senator is entirely mistaken. The rule requires that there shall be three readings. I asked to dispense with the formal reading and that it might be read for action on the committee amendments. The Senate refused to give unanimous consent.

Mr. LODGE. Dispensing with the formal reading and reading the bill for amendment is a matter of unanimous consent. Any Senator has a right to insist on the formal reading, and when that formal reading is completed the bill is open to amendment; it is not to be read again.

Mr. SMOOT. Does the Senator claim that if unanimous consent is given to dispense with the formal reading of a bill, then a Senator can not ask that it be read in full for amendment?

Mr. LODGE. Certainly not. If the formal reading is dispensed with, it is always accompanied with a request that it be read for amendment, and the reading for amendments takes the place of the formal reading. When that formal reading takes place there is no further right for a reading of the bill.

Mr. SWANSON. The rule requires three readings. It was read twice and referred to the committee. That is stated on the bill. It came in here, and I asked that it be read for committee amendments, which was refused. The formal reading of the bill has been completed, and now it is open to amendment.

Mr. SMOOT. I agree with the Senator as far as he went. The formal reading of the bill has taken place, but after the formal reading of the bill bills always have been read in the past for committee amendments.

Mr. LODGE. No; it has been held here, and I have made the point myself that when a bill has once been read it is open to amendment at any point by anybody. It is a mere practice that the committee amendments shall be considered first.

Mr. SMOOT. Has it not been the practice that when reading a bill for action on the committee amendments upon the request of any Senator that it be read it is read?

The PRESIDING OFFICER. The Chair understands that there has been the proper formal reading of the bill and that the bill is now open to amendment.

Mr. LODGE. Certainly.

The PRESIDING OFFICER. Under the agreement the committee amendments are presented first, and they are now being presented. If there is no further debate on it, the question will be taken on agreeing to the amendment.

Mr. LODGE. There is no right to a fourth reading.

The PRESIDING OFFICER. The pending amendment will be stated.

The SECRETARY. On page 22, line 10, strike out "\$5,781,174" and insert "\$6,381,174," and—

Mr. SHERMAN. Will the Senator in charge of the bill explain the necessity for this increase of what appears to be about \$600,000?

Mr. SWANSON. If the Senator will permit me, the merchant vessels of the United States have been examined and inspected by the Navy Department. We know now what is desired in case an emergency or war should arise, the batteries which are needed, the ammunition which will be needed for the batteries. The increase here over the House appropriation has been occasioned by the fact that they are going to substitute larger guns on some of the vessels, which will require more money. It has been accurately estimated by the department. The department has recommended this sum as necessary to make the merchant marine available as auxiliaries of the Navy if we should have war.

Mr. SHERMAN. Is there any evidence in addition to the hearings here published?

Mr. SWANSON. If the Senator will look at the documents, he will find the evidence.

Mr. SHERMAN. Is there some additional matter furnished before the Naval Committee of the Senate that the House did not have, showing the justification for this increase?

Mr. SWANSON. Yes; here is the letter. Nearly every one of the increases, I will say to the Senator, have been made by an estimate of the department on account of the changed conditions and increased necessities. We have letters that are published showing the necessity for the increases.

Mr. SHERMAN. For this increase of \$600,000?

Mr. SWANSON. Yes; absolutely. Here is a letter, if the Senator wants to read it.

Mr. SHERMAN. They are published in the tabulation which the Senator holds in his hand?

Mr. SWANSON. Yes.

The PRESIDING OFFICER. Without objection—

Mr. LA FOLLETTE. Wait a moment, Mr. President. I will inquire of the acting chairman of the committee if the Senate committee had any information upon this subject that was not in the possession of the House committee when it considered it?

Mr. SWANSON. Yes; because the letter bears the date of February 17. If the Senator would like to hear the letter read, it will show that this increase was very carefully made.

Mr. LA FOLLETTE. Just a moment, Mr. President. Is the Senator from Virginia able to state that the other House was in possession of a letter of the sort to which he refers from the Secretary of the Navy?

Mr. SWANSON. I am informed by the clerk of the committee that they were not.

Mr. LA FOLLETTE. Mr. President, if the Senator will merely read that letter and will give the Senate some opportunity to judge of the necessity for this appropriation—

Mr. SWANSON. The Senator from Wisconsin can read it on page 22 of the committee print of the bill.

Mr. LA FOLLETTE. I do not want to take the time to do so from the consideration of other amendments, but I should like to have the Senator either read the letter or have the Secretary read it.

Mr. SWANSON. It may be read by the Secretary, if the Senator from Wisconsin desires; but if the Secretary has not a copy of it, I will read it. It is as follows:

NAVY DEPARTMENT,
Washington, February 17, 1917.

MY DEAR MR. CHAIRMAN: I desire to have the following item inserted in the naval appropriation bill as reported in the Senate on February 14, 1917. This item refers strictly to the Bureau of Ordnance, and provides for the following increase:

"Batteries for merchant auxiliaries, \$600,000."

The reason for asking the additional amount at this time is that when this estimate was made the matter of providing guns larger than 1-pounder for small patrol vessels had not been considered. It is now desired to include an amount of \$600,000, to be utilized in the construction of 6-pounder, 3-pounder, or 3-inch guns for small patrol vessels, as may be decided upon. The sum asked for includes 150 6-pounder guns and mounts at a cost of \$4,000 each. The vessels that will be used for patrols, submarine chasers, and mine sweepers will all require a certain armament, and the type of gun used will depend upon the construction and size of vessels adopted.

Attached hereto is a memorandum giving the form of the amendment desired.

Very sincerely, yours,

JOSEPHUS DANIELS.

Hon. B. R. TILMAN,

Chairman Committee on Naval Affairs,

United States Senate, Washington, D. C.

Mr. LA FOLLETTE. Mr. President, I should like to inquire of the acting chairman, in order that I may clearly understand and the Senate may understand just what we are doing—whether this provision contemplates the arming of merchant ships?

Mr. SWANSON. That is a question to be determined by the President and the subsequent action of Congress. I doubt whether the President has authority to furnish arms to merchant vessels, unless such authority be granted by Congress. I know of no power which the President has to either sell or to loan these guns. It is a power as to which it is very doubtful whether or not it is possessed by the President. This legislation does not propose to authorize him to do so. Its purpose is, in case of emergency, to have the guns ready for any ships which might be taken from the merchant marine to be made a part of the Navy as auxiliaries.

Mr. LA FOLLETTE. That is, if I understand the acting chairman of the committee, a wholly different purpose from that which was raised by the address of the President delivered yesterday to the two Houses of Congress in joint session.

Mr. SWANSON. It is entirely different and has nothing to do with conferring any additional power whatever on the President. Last year we appropriated a part of the money for this purpose.

I do not know whether or not the Senator was present when I made my statement, but I will now state that the merchant vessels of the United States have all been inspected, and it is known which of those vessels will be available as auxiliaries to the Navy in case war should occur. In order to prepare for an emergency this legislation is simply framed to provide arms and ammunition for these vessels, to be held by the Navy Department, unless authority is given to the President elsewhere or in some other measure in case the vessels should become auxiliaries of the Navy to have them promptly equipped for that purpose.

Mr. LA FOLLETTE. As I understand the explanation of the acting chairman of the committee, this legislation does not contemplate the arming of merchant vessels until they shall have been incorporated within the Navy under authority of some formal act of Congress. Am I correct in my assumption?

Mr. SWANSON. The Senator is correct as to that. There is no authority now to buy ships and to make them auxiliaries of the Navy. Until such authority is given in some form, I know of no authority which the Navy Department possesses to obtain ships. If authority should be given by Congress hereafter to arm merchant ships, I have no doubt that the guns proposed to be constructed by this appropriation would be utilized for that purpose.

Mr. SMITH of Georgia. Let me see if I understand the Senator from Virginia. This amendment simply proposes to furnish money to provide certain guns. It in no sense defines the way in which these guns are to be used. Hereafter we shall have the guns ready, if Congress should determine to take over certain merchant vessels and make them a part of the Navy, or if Congress should determine to authorize the President to loan the guns to vessels still in private ownership; these guns might be loaned, but until further legislation takes place the guns will await the use of the Government.

Mr. NORRIS. Mr. President, I want to inquire—

Mr. SMITH of Georgia. I wish to know if I understand the Senator from Virginia correctly?

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. LODGE. Mr. President—

Mr. LA FOLLETTE. I shall be very glad to yield for an explanation.

Mr. NORRIS. Before the explanation is made, I desire to inquire where the language under discussion is found in the bill, as I desire to follow it.

Mr. LA FOLLETTE. It is on page 22, if I may advise the Senator from Nebraska.

Mr. LODGE. There is one word there which makes it very distinct. Those are guns for merchant auxiliaries and not for merchant ships. They can not be auxiliaries—that is a technical term—until they are made a part of the Navy; that is, until they are commandeered in time of war and added to the Navy.

Mr. LA FOLLETTE. Then, Mr. President, if the Senator from Massachusetts is correct—

Mr. LODGE. That is as far as this appropriation goes.

Mr. LA FOLLETTE. If the Senator from Massachusetts is correct in his statement in distinguishing between these two classes of vessels, this item would not provide guns which could by any possibility be loaned by the executive department of the Government to the owners of merchant ships.

Mr. LODGE. Not without further legislation.

Mr. LA FOLLETTE. Not without further legislation?

Mr. LODGE. No.

Mr. LA FOLLETTE. There is no authority which could be regarded as an implication of the right to loan them?

Mr. LODGE. There is no authority in this bill whatever to use those guns for that purpose.

Mr. LA FOLLETTE. There is no authority in this bill; but let me ask the Senator from Massachusetts if there is any provision of law or any authority in the organic law which would give the President directly and plainly the right to loan the guns provided for in this paragraph to merchant ships?

Mr. LODGE. No.

Mr. LA FOLLETTE. Or for use upon merchant ships?

Mr. LODGE. There is an old statute giving merchant ships the right to arm and setting forth under what circumstances they may defend themselves; but it conveys no right to the Government to furnish ships with guns. I know of no other statute on the subject. I can not give the number of the statute just at this moment, but I have it. It is an old statute—nearly 100 years old—giving the right to merchant ships to arm and defend themselves under certain conditions. That right was given for the purpose of enabling ships to defend themselves against pirates.

Mr. LA FOLLETTE. Against pirates; yes.

Mr. NORRIS. Mr. President—

Mr. LA FOLLETTE. I yield the floor to the Senator from Nebraska.

Mr. NORRIS. I should like to ask the Senator from Massachusetts a question in reference to the answer he has just given to the Senator from Wisconsin. As I understood the Senator, he said there was no statute authorizing merchant vessels to arm.

Mr. LODGE. I said there was an old statute authorizing them to arm themselves.

Mr. NORRIS. That there was such a statute?

Mr. LODGE. Yes; an old statute, which has been on the statute books for a hundred years.

Mr. NORRIS. I understood the Senator to say "no" statute, but it appears that he said an "old" statute.

Mr. LODGE. I said "an old statute." This provision of the bill applies to ships commandeered in time of war by the Government for the purpose of making them a part of the Navy, as the word "auxiliaries" implies. A merchant auxiliary of the Navy is a ship of war in the eye of the law, but an armed merchant ship is not a ship of war and does not lose her character as a merchantman armed for defense.

Mr. NORRIS. The question which I was asking, perhaps, does not relate strictly to this particular amendment. I was

really trying to get some general information. The statute permits merchant ships, then, to arm themselves as they may see fit—or is there any limit to it?

Mr. LODGE. There is no limit expressed in the statute at all.

Mr. NORRIS. If a ship armed itself, then, without reference to any governmental connection whatever, would there be any limitation on its right to enter and depart from ports that would interfere with it, anyway?

Mr. LODGE. That would depend on the evidence, as Chief Justice Marshall said, and as Mr. Lansing said when he issued regulations in regard to belligerent merchant ships. The question of whether it is an armament for defense is a question of fact to be determined in each case.

Mr. NORRIS. Has there been any decision on the subject of the arming of merchant ships by which a person could guide himself to any extent?

Mr. LODGE. In a circular letter which Mr. Lansing sent out at the beginning of the European war, there were laid down certain general propositions as evidence of the character of armament.

Mr. NORRIS. As I remember, we rather changed our attitude on the subject in a subsequent letter addressed to all the belligerents.

Mr. LODGE. We tried to.

Mr. NORRIS. And the suggestion was made that a ship armed in any way would be considered as a warship.

Mr. LODGE. Yes; that change was tried, but abandoned. We are now living under the regulations of September, 1914, which have not been changed.

Mr. NORRIS. Those are different regulations, of course, from the position that we sought to take in the beginning?

Mr. LODGE. No; that is the position that we took in the beginning as establishing the character of a ship.

Mr. NORRIS. Perhaps the Senator is not thinking of the same thing I am; but, as I remember, near the beginning of the war we addressed a communication to all the belligerents in which we suggested that any guns on a ship would have the effect of making it a warship, and later we assumed a different attitude.

Mr. LODGE. The Senator is mistaken. It was just the other way. We issued a circular at the beginning of the war stating certain qualifications which would be evidence of the character of a ship; that is, as to whether it was a merchant ship or a ship of war. For instance, I will take the first qualification, namely, that if a merchant ship carried a gun of a larger caliber than 6 inches, that would be evidence or create the presumption that it was armed for other than defensive purposes. That position we held until January 18, 1916, when Mr. Lansing put out what was known as a tentative note, looking toward a change in the rules as to what constituted a change of character in a merchant ship, but that was never pressed.

Mr. NORRIS. What was that tentative note? I simply desire to ascertain if the Senator has the same idea that I have.

Mr. LODGE. It was simply a suggestion that changes might be made. The Secretary of State went into no details, but he suggested that the old rules of international law as to what constituted armament, and so on, might be changed so as to be accommodated to submarine attacks.

Mr. NORRIS. I think the Senator is thinking of a different letter from the one I have in mind.

Mr. LODGE. I am thinking of the only ones on that subject of which I know. I followed them with great care.

Mr. NORRIS. I have in mind a letter which was given great publicity and which was sent to all belligerents.

Mr. LODGE. That was the letter of January 18, 1916, but in that letter there were laid down no other specific requirements.

Mr. NORRIS. It is not my idea that he did; but my recollection now is—

Mr. LODGE. That letter was dated January 18, 1916.

Mr. NORRIS. My recollection is that the idea the Secretary of State wanted to convey was that since armed merchant vessels originally were permitted on the ground that there were pirates on the sea, and inasmuch as pirates had long since disappeared, the reason for arming merchant vessels had disappeared.

Mr. LODGE. He did.

Mr. NORRIS. And his suggestion was that they ought not to arm at all.

Mr. LODGE. That was the suggestion.

Mr. NORRIS. But other nations rejected that view?

Mr. LODGE. Nobody else seemed to approve of it among the other nations so far as I ever heard.

Mr. NORRIS. I never heard of it ever being approved by any other nation.

Mr. LODGE. Shortly afterwards the President wrote the note in which he said American rights must not be abridged, and called on Congress to defeat certain resolutions.

Mr. NORRIS. Yes.

Mr. LODGE. So I think we are left standing on the provisions of the note of September—I do not remember the exact date in September, but of September, 1914.

Mr. NORRIS. I want to ask the Senator another question of a general nature on the subject: In connection with the statement that if guns of larger caliber than 6 inches were carried, it would be considered evidence that the vessel was an armed vessel; was there, as the Senator remembers, any limitations as to the number of guns?

Mr. LODGE. No; it referred to an unusual number of guns and an unusual number of the crew. It put no distinct limitations on the guns. It did not go into the question of broadsides, or anything of that sort. It assumed, I presume, that broadsides under modern conditions would be considered arming for attack; but I do not recall that it spoke of that particularly.

Mr. NORRIS. Our Government, as I remember, has not taken any position in regard to merchant ships carrying broadsides, for instance, or carrying guns except at both ends of the ship?

Mr. LODGE. I think under modern conditions if a ship were armed broadside it would be taken as a presumption, as evidence, that it was armed for attack.

Mr. NORRIS. Does the Senator think that would be true under existing conditions, where there is notice given by one of the powers that she is going to attack vessels without warning, and the fact that it is almost necessary to have guns on the sides of the ship in order to meet such an attack?

Mr. LODGE. I think that would give a wider scope to the meaning of "defensive armament."

Mr. NORRIS. Yes; I should think so.

Mr. LODGE. Undoubtedly. And, of course, any nation can determine for itself what it calls "defensive armament."

Mr. NORRIS. Of course, after all, it is a question of fact, as the Senator has said.

Mr. LODGE. It is a question of fact.

Mr. NORRIS. And, as part of the facts, a merchant vessel would have a right to take into consideration a public announcement of one of the great powers.

Mr. LODGE. Absolutely.

Mr. NORRIS. That it would attack vessels without warning; and therefore, perhaps, what would have been considered under regulations prior to such notice as offensive armament might under changed conditions be considered as defensive armament.

Mr. FALL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New Mexico?

Mr. NORRIS. If the Senator desires to speak on the question, I will yield the floor. I was merely trying to get some information.

Mr. FALL. I merely desire, along the lines on which the Senator was speaking, to call his attention to the fact that, in so far as the merchant vessels of the United States are concerned they can not be governed in their action by any statement as to what the armed vessels of a nation with which we are at peace were going to do and the change thereby made in the mode of warfare. That could not affect the rights or the limitations of a merchant vessel. The merchant vessels of the United States stand in exactly the same position with reference to the high seas as a citizen of the United States stands, in so far as national duties, and so on, are concerned. A merchant vessel of the United States under no circumstances is authorized to defend itself against even an illegal attack of a vessel of war of any nation with which this Nation is at amity.

Mr. NORRIS. Yes; I think that is according to a statute.

Mr. LODGE. That is the statute to which I referred.

Mr. FALL. Yes; the statute is simply following the rules of international law on that subject. The statute gives the affirmative right to defend against unlawful attacks of ordinary vessels—

Mr. LODGE. Certainly.

Mr. FALL. But not of the national vessels of any nation with which the United States is at peace.

Mr. LODGE. The statute was to give protection against privacy, primarily.

Mr. FALL. Certainly.

Mr. LODGE. But, if the Senator will allow me, of course, this Government can confer larger powers on its merchant ships.

Mr. FALL. Oh, undoubtedly—the Congress can; not the President.

Mr. LODGE. I mean the Congress.

Mr. FALL. The Congress can, but not the President of the United States.

Mr. LODGE. No, no; I mean the Congress.

Mr. FALL. The Congress can, because then that is the country of the merchant changing its municipal law, if necessary, as it sees fit, for his own protection. In other words, the Congress of the United States can give the merchant vessels of the United States the legal right to defend against the armed national vessels of a nation with which we are at amity. That affords him protection. Without such powers or rights being vested in him by his country, if he does even defend against the attack of a national vessel of a country with which we are at amity, he is not entitled to be treated even as a prisoner of war, but he is tried by a military court-martial, not by the ordinary courts. It is not a question of prize, not a question of civil action, not a question of confiscation, not a question of forfeiture, but it becomes a criminal matter, to be dealt with by the strong hand of the military force. In other words, he is on a par with a pirate. Now, if his country does affirmatively confer upon him the right to resist against such an attack then his municipal law protects him against such charge of piracy and trial by a military court-martial.

The statutes of the United States have absolutely, in terms, prohibited the defense by one of our merchantmen against any kind of an attack made by a national vessel of a country with which we are at amity. The statute of the United States nowhere prescribes the number of guns which a merchant vessel may carry as a defense against piratical attack. It leaves that to the circumstances of the occasion, or to the necessities. But in time of war, when the United States undertakes to occupy the position of a neutral, then by maintaining that position or undertaking to maintain that position by proclamation or by act it at once assumes duties to the belligerent countries. One of those duties is to see that no privateersmen or other ships are fitted out in its harbors which may be used against either of the belligerents. Therefore, not because the President might have any possible power to interfere with the navigation or commerce laws of the United States—for under the Constitution that is peculiarly within the province of Congress, so that he can not change those laws—but in seeing that the duty of this country as a neutral is performed—and that is his duty, to see that we maintain properly our position of neutrality—it becomes possible to say how many guns one of the vessels sailing from our ports may carry. It is within his judgment to say, in passing upon this question of neutrality and protecting our neutrality, whether a vessel shall sail from our ports. A merchant vessel can not sail, as the Senator knows, of course, without clearance papers. Not in interference with the navigation or commerce acts, but in protecting the neutrality of this country in time of war, the President can then instruct the collectors of the ports that they shall see that any ship clearing shall only have arms of a certain caliber, a certain number, and mounted in a certain place.

Mr. LODGE. That is absolutely correct, of course. That was the purpose of Mr. Lansing's first note.

Mr. FALL. Exactly.

Mr. LODGE. But if the Senator will allow me a single remark, the Senator showed very conclusively the other day, from the precedent of 1798, that these powers can be conferred on merchantmen by Congress without a declaration of war.

Mr. FALL. Undoubtedly; and the President of the United States might issue a note to the collector of the port of New York, for example, allowing him to issue clearance papers to a merchantman armed even with broadside guns, if he had not already taken the position that no such merchantman should be allowed to clear from our harbors, whether a belligerent vessel or one of our own national vessels. Now, as to the effect of an action of the President, without the authority of the Congress or with it, in changing the rules which he has adopted for neutrality and the regulations adopted to maintain our neutrality, under the theory that we propose to authorize the President to put this country in a condition of armed neutrality as distinguished from unarmed neutrality he might be allowed to change the rules already established as to one gun, I believe, at the stern, of a certain caliber; but any change of the rules of neutrality during time of war by any neutral nation, of course, carries corresponding responsibilities to the belligerent nations and is governed by the ordinary rules as to maintaining neutrality during time of war.

Mr. NORRIS. The Senator's explanation is very illuminating. It gives me a great deal of information on the subject. I want to ask him a question or two further, if he will permit me.

Mr. FALL. I shall be glad to answer the question if I can.

Mr. NORRIS. The Senator speaks of the power of the President in maintaining the neutrality of the Government and mak-

ing regulations as to how ships can be armed before he will permit them to depart. First, I want to ask the Senator, does the President get that authority from any statute law passed by Congress or is that a general rule?

Mr. FALL. He gets that authority from the constitutional power vested in the executive department, under which as the Commander in Chief of the Navy and the Army of the United States, he is charged with the defense of the United States. One of the matters of defense is the preservation of neutrality, under that general constitutional power.

Mr. LODGE. Also under the neutrality acts, of course.

Mr. FALL. Certainly.

Mr. NORRIS. Well, is the President given authority in the neutrality acts to make such regulations as he sees fit?

Mr. LODGE. He is given certain authority. I will get them.

Mr. NORRIS. I wish the Senator would. While that does not bear directly on this amendment, I think it is a subject that we probably ought to have a great deal of information about.

Mr. FALL. I do not think there is any particular, specific statutory authority given the President. As I recall it, that would answer the Senator's question.

Before I take my seat, I do not know that I have made this sufficiently clear. As I understand it, while the President might now possibly authorize ships to clear from the port of New York or any other port with other arms than those which have heretofore been prescribed—the stern gun of a certain caliber—while he might authorize that, the President of the United States could not possibly authorize any merchantman sailing from the United States to defend itself against the attack of a German submarine. Congress, and Congress alone, can give such authority to such merchantman.

Mr. NORRIS. Then, what would be the reasonableness of a rule made by the President under this power that would provide that a merchant ship could put on more guns, when as a matter of fact they would not have any right to use the guns in defense against a submarine, for instance?

Mr. FALL. None, except upon the theory that this country is going into armed neutrality, and is going to change the rules—going to change the statutes—and, of course, the Senator knows that that can only be done by Congress—

Mr. NORRIS. Yes.

Mr. FALL. And is going to vest authority in the merchantman to defend itself against the armed vessels of another nation. Now, you might whip the devil around the stump, as you might say, by allowing this additional armament upon the theory that the merchantman would defend itself against another attack than that of a national of some foreign country with which we are at peace; but that would not justify nor clear the merchantman so defending, if he did defend, against the attack of a national vessel; it would not place him in any different position.

In other words, in 1894 Mr. Gresham, our Secretary of State, had occasion to send instructions to our minister to Haiti with reference to the rights of defense by a merchantman in resisting attack made under cover of authority by some revolutionary government, or some one claiming to hold a commission from some revolutionary government. Mr. Gresham took particular pains to instruct our minister at Haiti that any such vessel must understand that in using its defensive guns it was liable to become subject to the piracy act, to being condemned as a pirate, and its crews to being hung by summary court-martial, drum-head court-martial, without any trial at all; he said, "It should also be borne in mind that a merchant vessel using arms of destruction on the high seas, unless duly commissioned for the purpose, may expose herself to the charge of piracy," and the Attorneys General of the United States in several different instances have passed upon the same proposition, for instance, with reference to the shipment of contraband.

The majority of our commerce to-day with the European countries is either contraband of war or enemy's goods. Now, of course, under the rules of war no one carrying contraband is entitled to go through a blockade, nor can he at all defend against the attack of any vessel seeking to halt him. He must stop, must surrender, must turn over his cargo. The same thing is true of vessels carrying enemy's goods; and as Attorney General Speed at one time said, a merchantman resisting an attempt to search, if he was carrying contraband or enemy's goods, laid himself open to the charge of piracy, and in fact became a pirate, although he was not animated under the old definition of *animus furandi*; that is, he was not a common enemy against all the countries of the world, sinking all vessels alike; but if he was carrying contraband and was halted and refused or resisted search, he was an enemy and practically a pirate. Of course, I am not quoting the exact language.

Mr. NORRIS. I want to ask the Senator another question before he sits down. I think he has explained very properly

what the law is. As I understand, it is to the effect that one of our merchant ships, for instance, armed, no matter to what extent, would not have the right under the statute to attack a submarine even though the submarine were going to attack the merchant ship. Now, we come back to the proposition—

Mr. FALL. If the Senator will pardon me, let me illustrate that particular point just a little further.

Mr. NORRIS. Certainly.

Mr. FALL. Suppose the case of two vessels of ours, sailing in consort we will say, or one within reach of the S. O. S. call of another, on the high seas. One of them attacked by a submarine, being shelled by a submarine, if attempting to resist, would be liable as an enemy, possibly as a pirate, depending upon the particular circumstances. Of course, it could plead necessary self-defense on the trial for violating international law and the laws of our own country; but certainly the consort of that vessel, or any other vessel hearing the S. O. S. call, must at once make its escape and get away from the submarine, instead of going to the assistance of its sister vessel so being illegally attacked.

Mr. NORRIS. The point on which I want a little further light from the Senator is this: Take the law as it stands. That means that the merchant vessel dare not attack the submarine, no matter what the submarine may have in contemplation, even if it is known that the submarine is going to attack the merchant vessel.

Mr. FALL. It may not even oppose and defend, under the words of the statute.

Mr. NORRIS. Yes. Then we come back to the other proposition, that the President has authority, under the laws of the country, to issue regulations in regard to the arming of merchant vessels, and he permits merchant vessels to arm under that authority.

Mr. FALL. Not regulations with reference to arms, but regulations with regard to clearance from a port.

Mr. NORRIS. Yes; I understand. In other words, they can not clear from the ports if they are armed contrary to the regulations that he lays down. Now, then, the ostensible reason for permitting them to carry any arms—

Mr. FALL. Is against piracy.

Mr. NORRIS. Is against piracy. Every man knows that there are now no pirates in the world.

Mr. FALL. Well, I do not agree with the Senator there.

Mr. NORRIS. Does not the Senator agree with me? Then I should like to have the Senator explain that. Are there some pirates, and where are they, and who are they?

Mr. FALL. I think that every national vessel or other vessel of the central powers pursuing the methods which they have been pursuing prior to and since the sinking of the *Lusitania* has been engaged in piracy, contrary to the rules of war and contrary to international law, and that they have placed themselves beyond the pale of law.

Mr. NORRIS. Does that include the submarines?

Mr. FALL. I have reference to the submarines, particularly.

Mr. NORRIS. I understand. I supposed the Senator had particular reference to the submarine warfare. Well, that being true, if they are pirates, then why can we not use these guns to sink them?

Mr. FALL. You can, if Congress will declare that they are pirates; but you can not as long as they sail under their colors, and you can not even defend against them; so you must change your law.

Mr. NORRIS. Then, is the Senator warranted in saying that they are pirates, when there is a law of Congress that says they are not pirates?

Mr. FALL. I say that they are pirates. The Senator must understand that there is an entire difference. The term "pirate," as ordinarily used, is a term used in international law. Piracy can also be defined by municipal statute; and the two classes of piracy are entirely distinct and different. The rules governing one do not apply to the other. I say that in my conception of international law the warfare as carried on by the German submarines constitutes international piracy; not piracy under the municipal definition.

Mr. NORRIS. Then, as I understand, the merchant vessels that arm themselves according to the rules laid down by the President have the right to defend themselves against one kind of pirates, but not against another kind of pirates.

Mr. FALL. Because your municipal law has distinctly declared on the subject, and your merchant vessels are governed by that. The theory, the Senator must understand, is to give protection in foreign countries. The President might arm these ships to-day; they might sail from our harbors; and they might sink a German submarine illegally attacking them, or attacking them, as the Germans claim, legally. Coming back

here to our ports, or if they were brought into our ports for trial by arrest on the high seas, or when they returned, if they were brought in here, then the fact that they had the authority of the President of the United States so to act might be urged in mitigation of the offense, and we would not try them, undoubtedly, under the military law. But an entirely different status would immediately apply if they were captured by Germany and taken into a German port or the port of one of the central allies. There they would stand as pirates. Here they might stand as patriots.

Mr. NORRIS. Well, if the Senator will permit me just a little further, when I said that everybody knew that there were no pirates, the Senator said there were pirates.

Mr. FALL. I think so.

Mr. NORRIS. I had reference now to such pirates as these vessels would be, under the law, permitted to attack; and there are no such.

Mr. FALL. Oh, undoubtedly under our laws as they stand, each of our men attacking them would himself be subject to trial by military court-martial exactly as though he were a pirate, if he were captured and tried in a foreign country.

THE REVENUE.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The hour of 2 o'clock having arrived, it becomes the duty of the Chair to lay before the Senate the unfinished business, which is House bill 20573.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes.

Mr. SIMMONS. When the bill was laid aside yesterday the Senator from Ohio [Mr. HARDING] had the floor. I should like to ask the Senator if he will not yield to me to suggest at this time that we pass over the amendments on pages 14 and 15 down to the margarine amendment and take that up as the next Senate committee amendment for consideration.

The PRESIDING OFFICER. Does the Senator from Ohio yield for that purpose?

Mr. SIMMONS. I make the suggestion because a large number of Senators are interested especially in this amendment, and it would accommodate them if we could have our next vote upon it.

Mr. HARDING. That course is entirely agreeable to me.

The PRESIDING OFFICER. Is there objection?

Mr. CUMMINS. Mr. President, a parliamentary inquiry. What was the request of the Senator from North Carolina?

Mr. SIMMONS. I made it more in the nature of a suggestion than a request. I suggested that we pass over the amendments on pages 14 and 15 down to the margarine amendment, and that the margarine amendment be taken up as the next committee amendment, merely for the purpose of accommodating a situation.

Mr. CUMMINS. I myself have no objection. The Senator from Ohio [Mr. HARDING], I understand, has the floor.

The PRESIDING OFFICER. Without objection, it will be passed over, then. Is there objection? There being no objection, that order will be made. The Senator from Ohio has the floor.

Mr. HARDING. If the Senator in charge of the bill wishes to take up the oleomargarine amendment, I have no objection.

Mr. SIMMONS. I understood that unanimous consent was given.

Mr. SMOOT. It was. There are a number of Senators who were not present when the unanimous consent was given, and they do not know that the oleomargarine amendment is before the Senate. For that reason I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Utah suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fernald	McCumber	Smoot
Bankhead	Harding	McLean	Stone
Beckham	Hardwick	Martine, N. J.	Sutherland
Borah	Hitchcock	Myers	Thomas
Brady	Hollis	Nelson	Thompson
Brandegee	Husting	Norris	Tillman
Broussard	James	Page	Townsend
Bryan	Johnson, S. Dak.	Penrose	Underwood
Catron	Jones	Pittman	Wadsworth
Chamberlain	Kenyon	Pol Dexter	Walsh
Culberson	La Follette	Ransdell	Warren
Cummins	Lane	Shafroth	Watson
Curtis	Lee, Tenn.	Sheppard	Weeks
Dillingham	Lee, Md.	Sherman	Williams
du Pont	Lewis	Shields	Works
Fall	Lippitt	Simmons	

The PRESIDING OFFICER. Sixty-three Senators have answered to the roll call. A quorum of the Senate is present.

LEGISLATIVE, ETC., APPROPRIATIONS—CONFERENCE REPORT.

Mr. OVERMAN. Mr. President, will the Senator yield to me to make a conference report?

Mr. HARDING. Why, certainly. I delight to yield to the Senator from North Carolina.

Mr. OVERMAN. I submit the report of the committee of conference on the disagreeing votes of the two Houses on the legislative, executive, and judicial appropriation bill.

The PRESIDING OFFICER. The Senator from North Carolina submits a conference report, which will be read.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 18542) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1918, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 5, 23, 24, 25, 32, 33, 34, 37, 38, 39, 42, 43, 44, 51, 53, 55, 59, 61, 69, 70, and 71.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 6, 7, 8, 9, 10, 11, 14, 15, 16, 18, 19, 20, 21, 26, 27, 28, 29, 30, 31, 35, 36, 40, 41, 45, 46, 47, 48, 49, 50, 52, 54, 56, 57, 60, 63, 64, 65, 66, 67, and 68, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Senate resolutions numbered 561, Sixty-third Congress, third session, and 101, Sixty-fourth Congress, first session, are hereby repealed."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"The Bureau of Efficiency shall investigate the methods of examining and auditing claims against the United States and accounts of disbursing officers, and of accounting for receipts and disbursements, and shall submit a report to the Secretary of the Treasury and to Congress, with recommendations, at its next regular session."

"The Bureau of Efficiency shall investigate the work performed by the Subtreasuries and report to the Secretary of the Treasury and to Congress at the beginning of the next regular session what part of the work of the Subtreasuries may be transferred to other offices of the Government, banks of the Federal Reserve System or farm-loan banks, and for the purpose of this investigation the representatives of the Bureau of Efficiency shall have access to all necessary books and other records of the Government."

"The Bureau of Efficiency shall investigate the methods of transacting the public business in the Civil Service Commission and report to Congress through the President at the next regular session of Congress. The officers and employees of the Civil Service Commission are hereby directed to furnish said bureau with such information as it may require to carry out this provision."

"The Bureau of Efficiency shall ascertain the rates of pay of employees of various State and municipal governments and commercial institutions in different parts of the United States, and shall submit to Congress at its next regular session a report showing how such rates compare with the rates of pay of employees of the Federal Government performing similar services."

"Officers and employees of the executive departments and other establishments shall furnish authorized representatives of the Bureau of Efficiency with all information that the bureau may require for the performance of the duties imposed on it by law, and shall give such representatives access to all records and papers that may be needed for that purpose."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In line 2 of the matter inserted by said amendment, after the word "departments," insert the following: "and independent establishments of the Government"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "For employees now paid from appropriation for emergencies arising in the Diplomatic and Consular Service, \$4,140"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Federal Farm Loan Bureau: For 4 members of the board, at \$10,000 each; secretary to the board, \$4,500; chief, bond division, \$3,000; 4 private secretaries, at \$2,000 each; clerks—1 of class 4, 1 \$900, 3 at \$720 each, 1 \$600; clerk and stenographer, \$1,200; stenographers—7 at \$1,000 each, 4 at \$900 each, 3 at \$720 each; messenger; and 3 assistant messengers; in all, \$77,920;

"For salaries and expenses under the Federal Farm Loan Board created by the act approved July 17, 1916, including the actual necessary traveling expenses of the members of the board and such salaries, fees, and expenses as are authorized by said act, including farm-loan registrars, examiners, and such attorneys, experts, assistants, clerks, laborers, and other employees in the District of Columbia and elsewhere as the Federal Farm Loan Board may find necessary, \$182,080; in all, \$260,000. A detailed statement of expenditures hereunder shall be made to Congress.

"Estimates in detail for all expenditures under the Federal Farm Loan Bureau for the fiscal year 1919, and annually thereafter, shall be submitted to Congress in the annual Book of Estimates."

And the Senate agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the matter inserted by the amendment of the House to the amendment of the Senate numbered 58, and in lieu of the matter inserted by said Senate amendment, insert the following: "Provided, That on and after July 1, 1919, no Government official or employee shall receive any salary in connection with his services as such an official or employee from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality, and no person, association, or corporation shall make any contribution to, or in any way supplement the salary of, any Government official or employee for the services performed by him for the Government of the United States. Any person violating any of the terms of this proviso shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than \$1,000 or imprisoned for not less than six months, or by both such fine and imprisonment as the court may determine"; and the House agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 8. The Bureau of Efficiency shall investigate duplication of service in the various executive departments and establishments of the Government, including bureaus and divisions, and make a report to the President thereon, and the President is hereby authorized, after such report shall have been made to him, wherever he finds such duplications to exist to abolish the same. Report of the action taken hereunder shall be made to Congress at its next regular session."

And the Senate agree to the same.

LEE S. OVERMAN,
REED SMOOT,

Managers on the part of the Senate.

JOSEPH W. BYRNS,
THOMAS U. SISSON,
JAMES W. GOOD.

Managers on the part of the House.

Mr. OVERMAN. Mr. President, I will state that all but one of the conferees on the part of the Senate felt that by the vote of last night they were instructed to recede from the position which has been taken so far, and to agree to the House amendment, which provided for an increase of 10 per cent to Government employees receiving up to \$1,200, and 5 per cent to those receiving above \$1,200 and up to \$1,800; and we have added to the bill \$1,300,000, the amount which it is estimated will be required for the payment of those increases to the

employees covered by this bill. The Senator from Florida [Mr. BRYAN], one of the conferees, refused to sign the report; but the Senator from Utah [Mr. SMOOT] and myself, feeling that we were instructed by the Senate, signed the report. This is a full and complete report, signed by all the conferees with the exception of the Senator from Florida.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SMOOT obtained the floor.

Mr. SMITH of Georgia. Mr. President, I do not think this matter can come up for consideration at this time except by unanimous consent. I object to its immediate consideration.

Mr. SMOOT. The Senator will not object to my saying just a word. I was recognized. Mr. President, I want to express my regret—

Mr. HARDING. May I ask—

Mr. SMOOT. I only wish to speak for a moment.

Mr. HARDING. I will yield to the Senator temporarily.

Mr. SMOOT. I simply want to express my regret that in this report we could not include the increase of 15 per cent in the salaries of Government employees receiving \$480 or less. The House amendment provides that up to \$1,200 per annum the increase shall be 10 per cent. If there had been any way, Mr. President, in which I could have insisted on that part of my amendment which gave an increase of 15 per cent on all salaries of \$480 per year and under, I should have insisted upon it and refused to sign the report; but as there was only one of two things to do—either refuse to sign the report and let the bill die, or accept the House provision as passed—I concluded that the proper thing for me to do after the action taken by the Senate last night, was to sign the report.

I therefore hope that the report will be agreed to.

Mr. BRYAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Florida?

Mr. HARDING. If it is for an inquiry or for a very momentary matter; yes.

Mr. BRYAN. No, Mr. President; the Senator yielded to the other conferees on the part of the Senate on this bill, and I only wish to make a statement on the same subject. Of course, if the Senator does not want to have me do it I will not ask him to yield.

Mr. HARDING. Mr. President, there is no one in the Senate Chamber to whom I would rather show courtesy than the Senator from Florida, but I should like to finish my remarks.

Mr. BRYAN. The Senator yielded to the other conferees. It is a funny way to show a courtesy.

The PRESIDING OFFICER. Does the Senator yield?

Mr. HARDING. If I will not lose the floor.

The PRESIDING OFFICER. The Senator will not be taken from the floor.

Mr. HARDING. I yield to the Senator from Florida.

Mr. BRYAN. Mr. President, I dislike to trespass upon the time of the Senator from Ohio. I merely desire to say that I have not signed the conference report. I shall not, however, undertake to oppose its adoption. I believe the committee acted justly in the beginning, and I am sure that those who need help would have received it better under the Senate amendment than under the House amendment, and at half the expense.

Last night, when the Indian appropriation bill was under consideration, there was not an opportunity given to enter into the reasons that actuated the committees that had been insisting upon the Smoot amendment on all these appropriation bills. The Senator from Wisconsin [Mr. LA FOLLETTE] argued the question at length upon the assumption that employees hired by private concerns were being paid higher wages than Government employees. I undertake to say, Mr. President, that the Government employees, without any increase at all, are receiving 25 to 50 per cent higher wages than employees of private concerns. The very illustration used by the Senator from Wisconsin will demonstrate that.

He said that night before last he was on a street car and the conductor told him that after being in the service for five years he received 27 cents an hour, and that he worked 10 hours a day. Now, if he worked every day in the year after having been in the service for five years he would have been receiving \$985.50 per annum. Take a man that enters the Government service and compare that, will you? He enters at \$800 in the Post Office Department, and under the law he is automatically promoted, if he remains in the service, until he receives \$1,200; so a man entering the Government service would have been receiving \$1,200 as against the \$985.50. But bear in mind that this street car conductor friend of the Senator from Wisconsin had to work 365 days in the year to get his money, and that the

Government employee has 30 days' leave of absence, 30 days' sick leave, and holidays in addition, besides Sundays. But omitting the holidays, he is paid for 132 days on which he does not work, and still he is getting 25 per cent higher pay than the street car conductor at the end of five years, though he works only 233 days as against the 365 of the other man.

Mr. President, the Senator said that we were building up an official aristocracy. That is what we are doing; and by the passage of this House amendment you have not only increased the appropriation \$26,000,000, but you have increased it upon one bill alone \$13,000,000—that is, the Post Office bill, which gets half of all the increase—and it goes to a class of people who are the most highly paid class of employees in this country. There is the aristocracy, gentlemen of the Senate. Under the law they can not be discharged, they get this automatic promotion, and they get these holidays off. The men in private employment, on the other hand, run the risk of being discharged, they do not have 60 days off besides Sundays, and they get from 30 to 50 per cent less wages.

Mr. President, there are two classes of people in this country—the taxpayers and the tax eaters. It is easy enough to get up here, where the galleries are filled with the beneficiaries of this legislation, and speak of them as being underpaid, when the average pay in the Government service is twice as much as the farmers throughout this country make, working day by day and week by week and month by month, without any holidays at all.

I have no hesitation in saying that I think an injustice is being perpetrated upon this country, an injustice that, if it is carried out, will make favorites of Government employees over those in private employment, that will make all of them quit their private employment and seek Government employment instead. Therefore I refused to sign any such report as that.

I thank the Senator from Ohio.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SMITH of Georgia. No; I object to its immediate consideration.

The PRESIDING OFFICER. The objection carries it over.

Mr. NORRIS. Mr. President, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. NORRIS. I understand that under the unanimous-consent agreement the conference report goes over, but I should like to inquire of the Chair whether that objection puts it over until after the disposition of the pending bill? The point I want to make, Mr. President, is this: Could somebody else in the absence, for instance, of the Senator from Georgia call it up again, and if he was not here, and somebody else did not object, would it be taken up notwithstanding this objection before the expiration of the unanimous-consent agreement?

Mr. SMITH of Georgia. Unless some of us are here to object, undoubtedly it may be called up, but I think somebody will be here.

Mr. OVERMAN. I am going to call it up, but I do not think I will have a right to call it up until after the disposition of the revenue bill, under the objection made to-day.

The PRESIDING OFFICER. Except during the morning hour.

Mr. OVERMAN. Except during the morning hour. If there is a morning hour I can take it up, but I will not take advantage of the Senator, of course, if he is not here.

Mr. NORRIS. That is the understanding I wanted to have.

Mr. OVERMAN. I give notice that if there is a morning hour to-morrow morning I will ask to take it up then. If not, of course, the objection will carry it over to the next morning.

Mr. SMITH of Georgia. It will be up to the Senate, then, to decide whether they will permit it to be taken up or not.

THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes.

Mr. HARDING. Mr. President, I think it will be no flagrant violation of the rules of the Senate if in concluding the remarks which I began yesterday I address myself to the bill in general, rather than specifically to the pending amendment relating to the oleomargarine tax.

Ordinarily I should be content to allow such remarks as I made yesterday to answer for my protest against the pending legislation, were it not for the fact that it would be very easy to misconstrue the purport and the intent of the protest which I was seeking to utter.

It has not been my thought at any time, Mr. President, to cry out against placing its just burdens of taxation on the wealth of the land. I do not know that wealth, corporate or individual, has been more clamorous in the cause of preparedness than any other element in our American life. I do not think it has more at stake. I do know from personal observation that those who represent both corporate and individual wealth are ever ready to bear their just burdens of taxation; and it goes without the saying that corporate wealth is the most available we have to reach in the normal processes of taxation, particularly by the State or local subdivision. Its tangible property is as readily reached as any other, and in the modern processes of reporting corporate possessions its intangible holdings are made more evident than that of any individual holder. So, then, in the normal processes of collecting taxes wealth encounters its just burdens under the ordinary procedure.

In recent years there has grown up a process of adding extra tax burdens, some of which I have no desire to complain against. I think most of them have been accepted without complaint, and if it were necessary to provide for the national defense, or if it were necessary in a time of emergency to meet the vast extraordinary expenditures incident to war, I believe there would be no serious complaint at the most extraordinary proposal made in the pending bill.

But I am objecting to it, Mr. President, as I stated yesterday, first, because it is unnecessary; second, because it is class taxation, and very unfair and dangerous as well; and, third, because it is utterly impracticable to make a just imposition and collection of the taxes.

For the moment, that section which has been passed over in the consideration of the Committee of the Whole I want to revert to. I refer to the conflict made manifest in our legislation regarding what constitutes the real capital of a corporation. Last September, when we passed a revenue act levying a tax of 50 cents per thousand dollars of the capital stock of corporations throughout the land, we provided not only in the law, but in the administration of it since, that a fair value of capital stock should be the value of the stock itself and the surplus and undivided profits. The Internal-Revenue Department in securing the necessary statements for the levy of this tax has passed a rule that certain intangibles shall be included in the assets of the corporations in order to fix the value on which it must pay this tax.

I alluded yesterday to the fact that the statement required of a corporation calls for monthly quotations of the market value of the stock. I think it is manifest to such Senators as are interested in the subject that one can not dependably fix the value of a stock by the market quotations. There are sometimes outside influences that give a momentary value to capital stock that is quite out of proportion to its real value. I need not enumerate the various influences which may bring about such a situation, and it would be very difficult for any Government agency to undertake to assess or fix a valuation on the various stocks of the corporate organizations of this land by means of market quotations, and any process of valuation would be even more difficult.

Noting that perfectly impossible undertaking, I have wished to suggest to the sponsors for this bill that they provide an amendment and say if we are to have this 8 per cent tax on the profits in excess of 8 per cent on the capital stock, the amount of capital of the institution shall be accepted in accordance with the representation of its value made under the revenue act of last September. Surely the Government does not expect one line of reporting, putting a high valuation on the assets of a corporation for the purpose of collecting a tax on the stock issued, and then reverse its policy and put a low valuation on the capital stock in order to minimize the exemption from the excess profits tax.

I am repeating this point which I hope in some way unknown to me will reach the ears of the sponsors for this bill. It would be a fair and perfectly logical thing to do and would eliminate from the proposed law the uncertainties and the unending conflict of fixing a value upon which there shall be exemptions from the proposed tax.

Mr. President, I do not mean to revert again to a thing that is so much in my mind, namely, the avoidance of a measure like this if the party to which I belong were able to write the revenue laws. I am very well aware that neither Congress nor the public is deeply interested just now in a tariff discussion. About the only thing that awakens our lively interest is something relating to the great world conflict which is now raging and the possible involvement of our own Nation. It is a rather prosy thing to discuss so selfish and materialistic a proposition as the industrial and business interests of our country. But nevertheless, Mr. President, unless the world has gone hopelessly

mad there must soon come an end to this conflict, and whatever may be the result in the adjustment of peace, there must come the after-conflict which grows out of the ambitions and rivalries of commercial and industrial nations.

Marked as must be the anxiety of the allied powers on whose commerce the submarine warfare is now being waged without mercy or consideration, anxious as must be the European nations which are involved in this unspeakable conflict, it is a fact nevertheless, Mr. President, that throughout the anxieties and trials there is being given serious thought to what must be the industrial and commercial aftermath.

I was very much interested to read, not very long since, a statement by Lloyd George that no matter how enormous must be the figures which represent the cost of the conflict to Great Britain, the people of England were in large part compensated by the industrial awakening which has come through the war, that they had scrapped their antiquated methods, they had instilled a new spirit and developed new strength in their industrial enterprises, and that they were better prepared on that account to enter the conflicts of the peace of the world which are to come, much better fitted to reestablish themselves than they were to hold their own before the war came.

Only within a day or two I was very much interested to read that aside from the spiritual awakening of France and a rebirth of patriotism in that country there was compensation in the war in that it had brought new application, new concern, and new development in the industrial resources of France, so that France, too, is looking forward hopefully to its part in the conflicts or the contests of peace which are to come after the war.

I need not speak of the policy of the industrial preparedness of the Imperial Government, or the land rather, of Germany. The wonderful development of Germany has made it the most formidable commercial rival of the United States that we had, and I think it is not unfair to say that the formidable character of the German development had its part in bringing about the war which is now waging.

These contemplations, Mr. President, lead me to the point I am seeking to make, namely, that instead of penalizing organized efforts in the United States under corporate form, instead of levying an unjust burden on success in this country, it would be well for these United States even now, when the mind of the world is focused on war, to give a thought to the promotion of our own preparedness for the contests which are soon to follow.

It is not possible, of course, in a short session of Congress, and would not be possible in the long session with the present majority in control, to rewrite the tariff laws of this country. I shall not be greatly surprised, however, if in the providence of political majorities the dominant party continues in control, that its representatives may be forced to rewrite the tariff laws of the country. But I recognize the impossibility at this session of securing a revision. I regret that the party to which I belong can offer nothing constructive at this time as a substitute for the pending measure.

But I have said the essential thing, Mr. President, that under the Republican policy of protection along lines of duties which existed under the last Republican protective measure we would be collecting on the present imports of the United States of America essentially a quarter of a billion dollars more than we collect under existing laws. In my judgment it would be a wise policy to put that burden of a quarter of a billion on the foreign producer who seeks the American market and take off or, rather, hold from the American producer the quarter of a billion that is proposed to be put on him as a class tax under the enactment of this law.

Mr. President, I was very much interested when I first came to the Senate, some 15 months ago, to hear the discussion which took place at that time relating to the extension of the so-called war emergency tax. I was very greatly impressed by a remark made by the junior Senator from Alabama [Mr. Underwood], whom I esteem so highly that I do not quote him in any contentious mood. Indeed, if I thought he would not hear it, I should preface my statement by the suggestion which is in my own mind, that the junior Senator from Alabama is so truly representative of the type of Democracy which was once dominant in this country, and believed in raising revenues by the exaction of import duties for that purpose, that I would consider him one of the most likely men in his party to carry the national standard of his party in the not very distant future. So when I make my allusion to the statement of the junior Senator from Alabama I do it in very great deference.

I heard the Senator say, Mr. President, last December, in defense of the tariff measure which bears his name, that we—meaning the Democratic Party or the majority in Congress—

had enacted a bit of legislation which has taken the burdens of taxation from the backs of the people who are less able to bear them, and have put those burdens on those who are best fitted to bear them. I assume that the latter statement makes reference to the income tax, with which, I may emphasize, I am finding no fault, Mr. President; but I do not accept the statement of the Senator from Alabama that he took the burdens from those less able to bear them, because experience, which is proof beyond all dispute, shows that the burdens were not removed, and whether war be altogether to blame or not, there has been a constant increase in the cost of the necessities of life, not only during the pending war but for many months prior to its outbreak.

I do not believe, Mr. President, that it is within the genius of any statesman who ever lived to reduce the cost of living by any reduction of the tariff. You can never reduce the cost of living except as you reduce capacity to live. So, then, if I may bring myself back to the theme which I have in mind, I wish it were possible to turn from the policy of putting a perfectly needless and unjustifiable burden on the corporate and partnership industries of this country, and collect it, as we have from almost time immemorial under Republican policies, from those who enter into competition for our American prosperity.

However, Mr. President, that alone is not my point. There is pending in this body a measure known as the Webb bill, recommended by the Chief Executive, designed to encourage the co-operation of American productive interests in going out to make conquests of the markets of the world. I will be very glad to vote for that measure myself. I can see the necessity for it. We have reached an age of big things in the world. We have gotten away from the time when the individual is the chief factor in our productive and commercial life. If you want to find the individual with a small undertaking, who is accomplishing even a little in the world, you must go to the very outskirts of civilization.

I remember last year, or the year before, I was traveling in northern Canada on a fishing trip, and away up on the outskirts of civilization I found an old-fashioned shoemaker, who was taking orders and individual measurements and making boots and shoes after the method that prevailed in this country 40 years ago. That would not be possible in the State of Maryland or Pennsylvania or New Jersey. He had gotten away beyond the contacts of active civilization, and there the individual was still thriving with his little industry; but in our greater American activities we have come to the age of great things, and these great accomplishments have been wrought by the association of capital and men.

I think, Mr. President, that that process, if we mean to hold America in its eminence, ought to be encouraged, and not penalized, as the pending bill proposes, and I can not understand why Congress will propose such a thing. If there were any avoidance of payment of the burdens which properly belong to these organizations, if they were a hurt or a hindrance to our American progress, instead of being a contributing agency, then such a course might well be justified; but these institutions are the things which make us what we are.

There is not a community in the United States, Mr. President, to-day that would not hold a jollification meeting if some one were able to announce the coming of a new corporate organization that would establish an industry in that community. I have heard the lamentation in the city of Washington, this great Capital, in the press and in certain circles, that one of the drawbacks to the Capital City, and one of the difficulties in finding sufficient tax values to make the District treasury show as it ought, lies in the fact that it has not any industrial institutions. I have never grieved at that myself. I have thought perhaps the Capital City would answer the aspirations of the American people better if it were distinctly a capital city rather than a typical American industrial city.

The point I am trying to get at in this rather rambling way is that the Congress of the United States, instead of adding this excessive class burden, ought to reverse the policy absolutely, and seek to find means for the encouragement and the upholding of the arms of American industry at a time when we are soon to face the new competition of the world.

That is not alone, Mr. President, because we have held a distinctly peculiar position; it is more particularly because, through the fortunes of the world involvement and our being thus far able to hold ourselves aloof, we have accumulated the great bulk of the gold of the world; and the nation that is able to buy offers the inviting market. The contending nations of Europe, no matter what the terms of peace may be, must rehabilitate themselves, and they are going to seek this market, and the ingenuity and the methods long since proven and the desperation of the situation are going to give Europe a hold

on American markets. I had rather vote for a revenue system, Mr. President, that will hold American markets for Americans first, rather than add unfair burdens to those who are seeking to hold these markets with their own activities. Let us aim to hold them our very own rather than open them up to the assaults of the competition of the earth.

I do not know that I can say it appropriately, but there is one thing I have deplored in the discussion of all these questions. I alluded to it briefly yesterday. I find fault with the tendency, not in one party alone, to make believe that laws are designed to do something for the great American mass by penalizing those who are achieving success. I think, Mr. President, it tends to rend the harmony of American citizenship and the concord of endeavor.

It is only a day or two since we were reading the farewell address of the Father of our Country. I wonder how many of you caught the significance of a phrase in that farewell address. I think it applies to the thing of which I am speaking. Washington said, in substance:

Our people must ever be on guard against the misrepresentations which come of envy and jealousy, for these tend to render alien to one another those who ought to be bound in the ties of fraternity.

I wonder if he did not mean those who preached the gospel of envy and hate; those who appealed to class prejudice; those who make their appeals to the less successful, who are inevitably and ever will be in the majority. There is no help for that. I do not know whether you want to question the wisdom of God Almighty; I will not; but He did not create men with equal ability, and He did not endow men alike with enterprise and industry and thrift. There ever will be these differences, and I had rather do something to compose them, so far as I can, than to make an utterance or to vote for a class of legislation which tends to magnify those differences.

I have been observing with some considerable interest the influence of our industrial system on American life. I believe, Mr. President, the finest illustration I can give is to take a bunch of the boys who were my schoolmates in the grammar and high schools of a village, a village of 600 inhabitants, where the democracy of the community is universal, so to speak; a village without any corporate body or any manifest wealth; a village where the son of the carpenter and the blacksmith and the minister and the doctor all blended in that democracy that you can not find anywhere except in the village. I have traced some of these boys in my recent reflections because I knew that they all started out in the world essentially alike, so far as material advantages were concerned; and it is a very interesting thing to see what became of them, and how much this so-called Government privilege and Government favoritism had to do with their lives. I shall not mention them by actual names, but I remember one—"Jeff," I will call him. Jeff was the bruiser in our class, always ready for a fight; a tight-fisted fellow. You would not have expected him to make any particular mark in the world, as I estimate him in the reflections of 40 years, but that fellow, with his tight fistedness, took a very natural bent. He became the village banker, and he is the successful banker in that village to-day. If he had chosen to cast his lot in a wider sphere, I am not sure but that he might have been such a man as would have control of a great banking institution in New York. He is an important, thrifty, influential man in that village to-day.

And I remember another, whom I will call "Bill." If anyone in that crowd had more material advantages than another, it was he. He was inordinately bright, and, I take it, that in his grades he always stood at the head of his class. I remember the teacher not infrequently pointing out Bill as an example for the others, a shining light who would some day illumine the world. Well, I am sorry to say, Bill's habits were not good; he yielded to a weakness. There was no "bone-dry" legislation at that time, and Bill made a failure of life. And Charlie—Charlie was the local saloon keeper's son, and, as we estimate things, his opportunities and prospects were the poorest of any in that class; but he had something in him that is the making of men, and his father, realizing that, assisted him to an education, and that boy, with no capital with which to start and of all of them having the least advantages, has become not only a great man in his profession to-day but he has become a successful farmer in addition, and if I were rating men he has made a notable success of life.

There was another one, Frank. Frank was the carpenter's son. There was nothing distinguishing about Frank's prospects. He made no marks of extraordinary character in his development in school, but there was something in him that suggested achievement, and he began making good, and Frank to-day is drawing \$25,000 a year as the head of a great com-

mercial institution and earning every cent of it; and in passing, I may say, is required to pay no excess profits tax on his large earnings.

There was one more—and I speak of him to emphasize my argument. What shall I call him, because I do not want to use his real name? "Josh," I will say; that is a village name. Josh was the bright luminary of that school. There was not one in a hundred pupils who did not believe he would be the shining mark. He was always proficient in his studies and seemingly a zealous, never-tiring worker; but Josh—well, Josh to-day is the janitor of his lodge. He plays one of the particular characters when they put on the "amplified third," and is momentarily the cynosure of all eyes; but he can not command \$10 in cash to save his life, and yet, Mr. President, I will wager he is the happiest man in the lot.

What is my application? Only this: I have not run on to the length I might, but these boys from the village, starting with exactly the same opportunity and equipment and with the same advantages in education, which were merely the advantages of a lot of boys in our American common schools, met the conditions of American life. Some of them went out to notable achievement; some of them linger in the village to-day—none of them was pushed forward by any Government favoritism; none of them profited by the so-called special privileges of government, but all of them meeting American opportunity alike, some succeeding, some mediocre, some failing. And I make the statement, Mr. President, that American business success, commercial or industrial, is not founded in any way on favoritism or privilege.

Now, why object to the proposed tax? This 8 per cent tax on excess profits is a penalty on success, and I make bold to say, Mr. President, that 8 per cent profit on a man's investment is not sufficient if you expect to have any further American development. Mr. President, I am myself an advocate of a fairer division of the profits of production in these United States, and if I knew how to do it, I would be standing here now advocating some system which would result in a fairer division between capital and labor of the profits of their co-operation. That is an entirely different question, however, from a Government penalty on success, and I make bold to say that if 8 per cent is to be the limitation of profits for developing capital in this country, American development will soon come to a standstill. Eight per cent money never lighted a furnace fire in these United States; 8 per cent money never laid a rail or stretched a wire or opened a mine. Eight per cent return is big for conservative capital, which is in the greater abundance, but conservative capital is of the type that picks out a demonstrated possibility, and then invests in the thing that is already developed, sometimes adding to its increment through increased efficiency that may well be applied; but American development has been wrought by capital which makes its venture in the hope of a larger earning than 8 per cent.

Look at the banker. The average American banker is well satisfied with 6 per cent on his capital and a guaranty against loss. There is an abundance of money in the United States at 4 and 5 per cent, if the security is ample; but listen, Senators, American development has its chances to take; there is the adventure of business, and our remarkable development in the last 60 years, which is ten times that of any other nation on the face of the earth, is due to this spirit of gambling in the human being whereby a man is willing to take his capital and add to it his energies and his genius and his pluck and determination, in the hope that the combination of these things will result in a profitable achievement. That is what has made us what we are.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER (Mr. ASHurst in the chair). Does the Senator from Ohio yield to the Senator from Montana?

Mr. HARDING. Certainly.

Mr. WALSH. I am particularly interested in the Senator's discussion of this subject.

Mr. HARDING. I am glad the Senator is; and that condition is so rare that I want to pay him tribute. [Laughter.]

Mr. WALSH. I have in my desk here the last annual report of the Butte Superior Copper Co., not engaged in the production of copper, as might seem from its name, but in the production of zinc in my State. That company has a capital stock of a little more than \$2,000,000. Its profits during the year 1915 were something over \$7,000,000; in other words, it made over 300 per cent on its capital during the year 1915. It is entitled to 8 per cent exemption, which leaves 292 per cent net, and then it pays 8 per cent on 292 per cent, leaving it about 285 per cent net on its investment. Does the Senator think that

285 per cent net is very much discouragement to people who engage in the zinc-production business?

Mr. HARDING. Oh, Mr. President, the inquiry of the Senator from Montana is hardly a fair one to ask me to apply to the remarks I am making. That is a very exceptional case, and a very exceptional line in these war times. Enormous fortunes have been made in copper, and yet, Mr. President, I will venture to say that in the Senator's State there are a good many more millions of dollars that have been put in the ground in the gamble for ore that nobody has ever heard anything about and never paid a dollar in return. I myself, if I could command a million dollars, would not invest it in any sort of mining enterprise with the hazard which is at stake, and if I did take a portion of any capital I could command and put it into a hole in the ground I should want a very large return made possible before I would undertake it. We must not overlook the hazard of loss.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield further to the Senator from Montana?

Mr. HARDING. Certainly.

Mr. WALSH. The Senator states the facts exactly; and this bill contemplates taking the burdens of taxation off the backs of the poor fellows who have put their money into the ground and have not got it out to impose it upon those who, through good fortune as well as good business judgment, have been able to make 300 per cent.

Mr. HARDING. Now, since the Senator from Montana has been good enough to make that statement, I should like to have him, while he is on his feet, elaborate it. I want to ask the Senator, if he will be so kind as to tell me, how does the pending measure take the burden from the backs of the fellows who have lost?

Mr. WALSH. Mr. President, I understood the Senator to advance the idea that these enormous revenues should be raised by duties upon imports, such as, for instance, flour and wheat. Let me say further, Mr. President—and I feel at liberty to speak about it because I am engaged in raising sheep out in Montana—that I have another report upon my desk of a sheep company that has been selling its wool at 40 cents a pound. The report shows that it made 20 per cent last year upon its investment. I understand the Senator would have a duty imposed upon wool.

Mr. HARDING. I would.

Mr. WALSH. So that, as I understood the Senator, he would have the taxes imposed upon the things that people eat and the things that they wear, so that the poor prospector would be obliged to pay a heavy levy upon practically everything that he bought, and thus he would be contributing to the General Treasury. Now, Mr. President, I would prefer to relieve him, and impose it upon the Butte Superior Mining Co., that has been fortunate enough and has exhibited good business capacity enough to make 300 per cent upon its investment, an aggregate of more than \$7,000,000 in the year 1915. If the Senator will indulge me so far, I want to say further that probably this bill bears more heavily, if it may be spoken of in that way at all, upon the industries in the State of Montana than perhaps those of any State in the Union, outside of the State of Delaware, where are located the great powder plants; and yet I feel a pride in saying that not a company operating in the State of Montana has offered a word by way of criticism or of protest against paying the great taxes they will be obliged to pay, because of the enormous profits they have made, in order to meet the necessities of the Government in this crisis.

Mr. HARDING. Mr. President, the able Senator from Montana is a delight to me. Of course, it is his assumption that the burdens are to be placed upon the poor fellow, on the American consumer if you like, under the Republican policy of protection, but I will dismiss that with the statement that all experience disproves what he has said. You know, there is no more fallacious thing in the world than the assumption that a duty is added to the cost of an article, and is therefore a burden on the American consumer. I dislike to take up the time of the Senate, Mr. President, but since the Senator from Montana has raised the question, I must divert him for a moment.

Some years ago I made my first trip to France. I hope nobody will relate the experience I am about to give outside of the Chamber, because it is personal; but coming from a rural community, and knowing very little about the ways of the world except as I had read about them in a hazy way, I said to Mrs. Harding: "Now, there is a very high tariff on sparkling wine, and when we get to Paris the lid comes off. I am going to indulge myself once, because it will be very cheap over there." My recollection is that the tariff on champagne was at that time something like \$18 a case. I may be inaccurate as to the figures, but if it were true, then I should at least get the bottle

of wine in Paris at \$1.50 less than in this country, with the proportionate profit taken off of the retail price. I had visions at least of going in and getting a bottle of French wine for \$2, we will say, because I had heard it said, in a roundabout way, that the price in our own country was \$4.

We had not been in Paris but a day when I went to the Café de la Paix, on the Rue de l'Opera, or some place like that; and there was the absence, as was customary in a good many French cafés, of bills of fare with prices attached. So I ordered my dinner and, among other things, a bottle of French champagne, dreaming all along that, since the tariff is a tax, it would not cost me in Paris to exceed \$2; and, if the theory of the Senator from Montana is correct, it ought not to have cost more than that. When I received my check and found it so enormous that, like one from the country districts, I called for specifications, I found that my bottle of wine, which, according to rumors, could have been purchased in New York at that time for \$4, cost me in Paris, with no American duty, \$4.50 [laughter], and I learned through experience that the tariff is not a tax.

Mr. SMITH of Georgia. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Georgia?

Mr. HARDING. I do.

Mr. SMITH of Georgia. Does the Senator think that that was due to the fact that they recognized him as being from the country? [Laughter.]

Mr. HARDING. They may have seen the moss on my back. That is very possible. [Laughter.] But I trust the Senator from Georgia will remain. I will divert him again. I am not filibustering, Mr. President. The line of discussion is drawing me out.

Mr. SMITH of Georgia. Mr. President, I want to say to the Senator that I had a call at the door and I was going out for just a moment. I will return at once.

Mr. HARDING. I will excuse the Senator.

Mr. SMITH of Georgia. But if there is something real good in what he has to say, I will wait.

Mr. HARDING. Well, this is very worth while, and I hope the Senator will stay. If it is not, the money will be refunded at the door. [Laughter.]

Mr. MARTINE of New Jersey. Mr. President, will the Senator permit an interruption for just one second?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from New Jersey?

Mr. HARDING. Certainly.

Mr. MARTINE of New Jersey. I should like to ask, in view of the information the Senator has given the Senate as to his habits and luxurious tastes in regard to drinking wine in cafés—

Mr. HARDING. Only once, Senator—only once.

Mr. MARTINE of New Jersey (continuing). I should like to know whether he voted for a bone-dry District of Columbia or not? I should like to know how the Senator reconciles his habits and tastes with a bone-dry vote. [Laughter.]

Mr. HARDING. Well, I will settle this discussion with the Senator from New Jersey the next time I make the experiment in Paris.

Mr. President, as the Senator from Georgia, in perfect good humor, has seemed to question the directness of my illustration, I have another. I had heard, in my rural way, of the gay character of the French capital; and having been brought up along pretty restricted lines, and having that inevitable human tendency to break the confines just a little bit, on one of the trips that I had the fortune to make to the great French capital I said to Mrs. Harding, "Now, I want a night off. I want to see the lights of this city, and if you will enter into a contract with me that I shall have a night off without any inquiries afterwards, I will buy you any Parisian bonnet you may elect to choose." The compact was made, and I had my night. It was not worth it. [Laughter.] I do not recommend it to any of you. The next morning I started off to keep my contract about the millinery. That is a fad of mine—keeping contracts—and so I went with Mrs. Harding to a millinery shop on the Rue Royale, where together we picked out a very becoming pattern hat. I am ashamed to say what we paid for it—what I paid for it. [Laughter.] The cost of living had not then mounted so high, and we are less startled by enormous figures now; but for purposes of illustration I will say to the Senator from Georgia that that hat cost 40 good American dollars.

Mr. CHILTON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from West Virginia?

Mr. HARDING. Certainly.

Mr. CHILTON. Would it interrupt the Senator to tell the Senate whether he purchased the hat after or before he visited that wine shop? [Laughter.]

Mr. HARDING. Well, I do not want the Senator from West Virginia to allow his bone-dry curiosity to take him too far into my private affairs. [Laughter.] I want to be serious, Mr. President. I am going to make an illustration that is worth while. It would not be fair to carry out my illustration now on the retail price of the hat I purchased, because tariffs are not fixed on retail prices; but suppose the Parisian milliner charged me 100 per cent profit, which is not unlikely; then the wholesale price of the hat would have been \$20. The tariff on millinery at that time was 60 per cent; and if the tariff is a tax added to the article as a charge against the consumer, then 60 per cent of \$20 would be \$12, and the hat in this country ought to be worth \$32 at wholesale. Then if the American distributor charges 100 per cent, like the French retailer, the hat would be worth in this country \$64—not worth it, but \$64 would be charged for it. But I will not assume that the American distributor charged so much. I will say that he only charged 50 per cent, and that makes the price of the hat on the retail market \$48.

Now, what were the facts? Bear in mind, if the Senator from Georgia will oblige me, that I had given up \$40 for it in Paris, and the tariff is a tax, and the tariff is 60 per cent. Well, this hat was a very beautiful specimen. It was a large one, and I, as the head of the family, became its special bearer and custodian. I carried that particular piece of millinery from Paris to Calais, and from Calais to Dover, and from Dover to London, and from London to Liverpool, and was bothered with it from one side of the Atlantic to the other, and when we landed in New York City, and a more or less vain woman put on her Paris hat here to go out and show it to New York, and we started down Fifth Avenue, we had not gone a block until in a show window was the identical hat [laughter] that I purchased and carried from Paris. The tariff is a tax, and I gave up \$40 in Paris for a hat and found it in a window in New York City advertised at \$24. That was not because I had moss on my back.

Mr. SMITH of Georgia. And it was not because the Senator took a night off just the night before? I will say to the Senator that I also have been to Paris.

Mr. HARDING. I have no doubt of it. [Laughter.]

Mr. SMITH of Georgia. But I did not take "a night off" there, and I found no difficulty in buying goods there much cheaper than in New York, practically with the tariff off, as compared with prices in New York City. I repeat, however, that I never took "a night off" in Paris.

Mr. HARDING. Mr. President, I want to say to the Senator from Georgia that he is the first American citizen I ever heard make that statement. I will not challenge it.

Mr. LANE. Mr. President, I should like to ask the Senator what year he was over there? I was over there once, and heard there was another American there, and I have been anxious to locate who it was. About what year was that?

Mr. HARDING. Very well; if this is going to be a confession, Mr. President, I will take it up with the Senator from Oregon a little later.

Mr. LANE. I should like to call the Senator's attention to the fact that when I was over there I found that Singer sewing machines, one of which I had bought at my house a short time before for \$100, were selling for \$19.75 retail.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. HARDING. Certainly.

Mr. SMOOT. I want to notify the Senator who just made the statement that that same sewing machine for which he paid \$100 did not cost to make in America more than \$8.72.

Mr. LANE. I had that suspicion at the time, but that was the trust's price.

Mr. HARDING. I am very much delighted and pleased beyond measure to get into this line of discussion if it does not trespass too long upon the time of the Senate. I must get back for a moment to the Senator from Montana, who has added so delightfully to the argument I have in mind. He called attention to the enormous profits of the sheep raisers of his State. If he had called attention to these profits under a protective tariff on wool I should have been stumped to make an answer. But the Senator from Montana is as well aware as I that the enormous profits on the sheep herds of Montana have come under a period of free trade in wool, and there has not been an instance of a lowered price on American wools since the tariff was removed, so that the sheep condition pointed out by the Senator from Montana is very much akin to that of the great

copper producers of his State. They are working enormous fortunes out of conditions which are the reflex of the European war.

I think I will yield no further for this colloquy.

Mr. OVERMAN. I am very much obliged to the Senator from Ohio. I had no idea it would take up so much time.

Mr. HARDING. I do not wish that the digressions and interruptions of the speech shall drive me into the attitude of making a filibuster talk. I have had no such thought in mind. I have been aiming in a very desultory and rambling way to voice my objection to this excess profits tax. Whether he intends it or not, the Senator from Montana, who is momentarily absent, made a suggestion that will enable me to illustrate the particular thought I have in mind. The Senator from Montana made allusion to some copper concern, with its many millions of profit during the past year, and I think he asked me if I was in favor of taxing that corporation.

Mr. President, under the income tax every dollar of those enormous profits must pay their fair proportion of the burden of Federal taxation. I am perfectly frank to say that I for one do not favor a sandbag policy because they have had an extraordinary year. There are a good many lean years in business, Mr. President. The reason why I am voicing my protest to this measure is that it is affecting thousands of corporate and partnership enterprises throughout the country that are unaffected to any notable degree by the extraordinary conditions of to-day. Because they are conducted along lines of success does not justify this policy of sandbagging them to reach a few munition makers and a few who are enjoying extraordinary profits. Yet under this bill we are stepping in with the strong arm of the Government to club legitimate, permanent, normal American enterprises, and I do not think it ought to be the policy of this Government.

Mr. TOWNSEND. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Michigan?

Mr. HARDING. Certainly.

Mr. TOWNSEND. I have listened with a good deal of interest to the very able argument of the Senator from Ohio. I was especially attracted by a statement which he made in reference to the growing tendency of the times, and a commendable one, of sharing profits between employers and employees. I want to ask his opinion as to what will be the effect upon that tendency of placing a tax upon surplus earnings.

Mr. HARDING. Mr. President, I am glad the Senator from Michigan asks me the question. My own judgment is that this policy of penalizing success is a blow that will hinder the present American tendency to bring capital and labor into closer relationship and a new state of very necessary mutuality in business. I can understand how it is going to work. It is not any crime for an American citizen to seek to avoid an unjust taxation. I can see how the imposition of this tax is going to revolutionize the salary rolls of American corporations and the salary rolls of American partnerships. How simple it would be. Here is the close corporation, we will say, which is subject to this 8 per cent tax, and it has a pay roll of three or four or five thousand dollars a year. It is the simplest thing in the world in that close corporation to add the equivalent of 15 or 20 per cent of the profits to the salaries, so that the so-called net earnings of the concern will be reduced to a minimum. That, Mr. President, is going to have the very opposite tendency to that which would fit into the more altruistic idea of the Senator from Michigan.

Mr. President, I want to say it now, because I think it is pertinent to this discussion, that there is an American problem second only to the maintenance of American rights and the preservation of our nationality, and that American problem is the solution of the great industrial question. We made an abortive attempt at it here last year, when Congress assumed the wage-fixing authority and the legislative fixing of hours of work for the great carriers in interstate commerce. I do not know what has become of it. I think it is the general impression that that effort has proven a fiasco, and we know there is a protest against the pending legislation which has in mind the compulsory arbitration of industrial disputes. I do not think that our industrial problem can be solved that way. I have yet to hear a practical remedy offered. I think there is none, except to establish mutuality of interest and harmony of endeavor; and you never can establish it in the world except through some voluntary process of a more equitable division of the earnings of great and small enterprises as well. I wish I knew how to contribute to bring that about; but I know, Mr. President, I am not contributing in that direction when by my vote in this body I give assent to a penalty on success.

Mr. President, I believe in success, and I despise the man who cries out against it. In my observations in life I have found that one man's success ought invariably to be made another man's inspiration to succeed; and I have had the experience to know that corporate and partnership success is not founded so much on capital as it is on talent, genius, industry, stick-to-itiveness, ability to do things.

Congress under the name of a war emergency, which does not exist, so far as taxation is concerned, is proposing to adopt this method of penalizing success. For myself and the Commonwealth which sent me here and the thousands of successful institutions which are contributing to the good fortune of that Commonwealth and adding their part to the good fortunes of the American Nation I protest, proclaiming that it is unfair, unjust, impracticable, and revolutionary in that it is class legislation, which has no part in the program of the American Republic.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Kansas suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fall	Lewis	Simmons
Beckham	Fletcher	Lippitt	Smith, Ga.
Borah	Gronna	McCumber	Smith, Md.
Brady	Harding	Martin, Va.	Smoot
Broussard	Hollis	Martine, N. J.	Thomas
Bryan	Hughes	Newlands	Townsend
Catron	Husting	Norris	Vardaman
Chamberlain	James	Oliver	Wadsworth
Chilton	Jones	Overman	Walsh
Clapp	Kenyon	Page	Warren
Clark	Kirby	Penrose	Watson
Culberson	La Follette	Phelan	Weeks
Cummins	Lane	Poinexter	Works
Curtis	Lee, Tenn.	Shafroth	
du Pont	Lee, Md.	Sheppard	

Mr. KIRBY. I desire to announce that my colleague [Mr. ROBINSON] is absent on official business.

Mr. WALSH. I wish to state that the junior Senator from Delaware [Mr. SAULSBURY] is detained on official business.

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. There is a quorum present.

Mr. CUMMINS. Mr. President, my chief purpose in asking the attention of the Senate is to address the Senate very briefly upon the oleomargarine amendment. I can hardly hope to add to the information that has already been laid before the Senate with regard to the amendment of which I understand the Senator from Alabama [Mr. UNDERWOOD] is the author, but which has been proposed by the Finance Committee. I can, however, record my own view with respect to it.

Before doing so, I feel that I ought to make one or two preliminary observations, or rather recur to one or two incidents in the consideration of this bill. My Democratic friends have endeavored to create the impression throughout the country that the Republican Members of the Senate have been attempting to delay unduly and unreasonably the disposition of the revenue bill. I think the responsibility for the long debates which have ensued ought to be put where it belongs.

The Finance Committee, and I assume I am speaking of the majority of the Finance Committee, is responsible, entirely responsible, for the prolonged debate upon the measure. I do not believe there is a single Republican who has any desire to prevent the levying of such taxes as are necessary to meet the expenditures and exigencies of the Government; but instead of bringing forward a proposal for the levy of taxes, according to an established and accepted principle, a principle upon which we have heretofore increased tremendously the revenue of the Government, the committee has brought forward an extraordinary, inequitable, unjust, and unworkable proposal.

I am not now speaking of the revenue that might be raised through a protective tariff. I do not expect my Democratic friends to propose to the country or to propose to the Senate a system of duties upon imports laid upon the protective plan. It would be too much to expect. They would be false to their traditions if they were to do it. In what I have said it must not be understood that I am criticizing the majority for failure to bring forward a protective system instead of the alleged revenue system which now prevails.

I am speaking of the proposal to levy an 8 per cent tax upon the net income of partnerships and corporations above a certain return upon the capital. Why do not the Democratic majority simply increase the rate of tax upon net incomes? I think we are all in favor of an income tax. There are some defects in the income-tax law of last year, which I will not

pause to point out, but in the main it is founded upon a sound principle, at least from my standpoint, for I am one of those who believe that the revenues of this country, so far as they are not accumulated at the customhouses, ought to be laid upon the wealth, and not upon the consumption, of the country. But, instead of increasing the income tax, which would have had a general and fairly just operation, the entire system is abandoned and it is proposed to levy a tax of 8 per cent upon the net income after paying 8 per cent upon the capital invested in the business, with the \$5,000 deduction.

Was it not obvious—did the members of the Finance Committee not know—that a proposal of that kind would lead to long examination, to great debate? They must have so known, because such a proposal was never before made in the Congress of the United States.

I am not criticizing it because it lays its hand upon the wealth of the country or upon large incomes. I am criticizing it because it lays that hand unequally. It taxes most heavily those who ought to be taxed most lightly and relieves those who ought to bear the greater burden. What justification is there for a law which proposes to lay this immense tax upon the net income of two corporations that, we will take for illustration, are earning the same amount of money, but one of them having a capital of \$200,000, for instance, and the other having no capital at all, or a negligible capital—one corporation earning its income through the service, the genius, the activity of its members or its employees and the other earning its income simply on account of the investment of capital?

I will take two corporations of small capital, because they will better illustrate my point. I hope that before the debate is closed some Senator can be found who will attempt, at least, to justify this extraordinary and, I think, unprecedented suggestion for taxation.

I will assume a corporation with a capital of \$200,000. Somebody has accumulated that capital and has invested it in that business. I will assume that it earns \$40,000 in a year, all net income. From the \$40,000 there will be deducted arbitrarily \$5,000. Then there will be deducted what? Eight per cent upon the \$200,000. That will leave \$19,000 upon which this tax is to fall; that is, upon such a corporation there would be levied a tax of \$1,520.

I will take another corporation—and all that I am saying about the corporation applies with even greater force to the partnership—another corporation, the value of whose capital or property is negligible, and it earns \$40,000 in a year of net income. Under the law there will be deducted from it also the sum of \$5,000, leaving for the operation of this tax \$35,000, the tax upon which will be \$2,800, against the \$1,520 levied against the corporation that has an invested capital large in proportion to the earnings of the company. I know that this phase of the matter has been already commented upon; but I should like to hear, at some time before this debate is closed, some defense of inequality of that kind. On such corporations and on partnerships you are simply levying a tax of 10 per cent, including 2 per cent income tax upon their net income, while with regard to the capitalistic corporations, those which depend for their earning capacity largely upon the amount of capital invested, you are levying nothing until they pay that capital 8 per cent.

Do not let us hear any more the suggestion made by the Senator from Mississippi that we of the minority are endeavoring to relieve munition makers of these taxes. You are giving to the munition makers 8 per cent upon the entire value of their property before you exact a single additional penny of taxation; but you are drawing within the net of this strange system tens of thousands of worthy and deserving men who are utilizing their strength of mind and of body to earn an income. You are taxing them 10 per cent upon that income as against 2 per cent, if you please, upon the capitalistic corporation; that is, if not more than 8 per cent shall be earned.

Is it any wonder that when such a proposal is made, it should awaken the liveliest interest and the strongest protest? It was just as sure to do it as time was to pass; and yet I have heard the most ungenerous and the most unjust criticisms from the other side with regard to our disposition to debate a system of that kind, proposed for the first time in American life.

I pass to another. For 15 years or more it has been the policy of the United States, which had been established after long consideration, to prevent, if possible, the sale of colored oleomargarine as butter. I suppose there is no subject that could be suggested that would give rise to more difference of opinion, more heated and earnest opposition, than the suggestion that that policy should be abandoned; and yet upon a revenue bill it is brought forward as a part of the work of the committee, and the country is asked to pause while we are en-

deavoring to raise a great sum of money in order to meet the public necessities, to debate the problem of butter and oleomargarine. There was no man on the committee so dull, no man who could look forward to the outcome so blindly as not to know that when that proposal was made in the Congress of the United States days would be required for its consideration. I am not just at this moment discussing the merits of the proposition, but under the pretense of raising revenue—and it is a mere pretense, because the Senator from Alabama said that the estimate of the Treasury Department was that it would possibly raise \$3,500,000 a year more than the present law—but under the guise of a revenue measure to meet a great emergency it has been proposed to abandon an industrial policy of the United States established through long discussion, and a policy which nearly every State in the Union has espoused, for there is barely a State—I do not know whether there is any State—that has a dairy interest of any magnitude that has not in some fashion or other attempted to forbid the coloring of oleomargarine so that it would resemble butter. Here is one of the reasons for the delay which has ensued.

I have mentioned these things because it is not fair, it is not just, that the Democratic majority should attempt to stamp upon the minority in the consideration of this bill a disposition to delay debate or to prolong its disposition. If it had not been for the unanimous consent, which I think really originated upon this side of the Chamber, and these two propositions had been debated as is the custom in the Senate, debated according to their importance and according to their far-reaching effect, we would not get a vote upon the revenue measure in three weeks. Instead of any disposition to delay a vote upon the revenue bill we have surrendered what I regard as a most valuable right, namely, the privilege of every Senator expressing in the fullest and completest way his opinions with regard to these two vital proposals.

But that is not all. Instead of limiting this bill to the raising of a revenue sufficient to meet the exigency of this hour or of the next year; instead of limiting it to authority to dispose of all the Panama Canal bonds and \$100,000,000 more of bonds, and of the refunding of \$63,000,000 of debt, already outstanding, we are asked to authorize the Secretary of the Treasury to issue \$500,000,000 additional bonds. I call them "bonds" because the distinction between certificates and bonds is too shadowy for me to grasp. If this bill passes, we shall have given to the Secretary of the Treasury the power to keep outstanding for all time, until we retire them by legislation, \$500,000,000 of certificates, and if he happens to pay some of them through current revenue, he can immediately issue new certificates in order that the amount may always equal \$500,000,000. There is not a suggestion that any part of the \$500,000,000 thus authorized is needed for present necessities; it has not been pointed out that any part of the \$500,000,000 will be required to pay anything which we can now foresee; but, in order that the Secretary might have always at his disposition this vast fund, we give him the right and the power to issue \$500,000,000 of debt, to be extinguished only when Congress shall again act.

I have become numb with this constant demand for discretionary money—\$100,000,000 in this bill for one general purpose, a Mexican situation in part; \$500,000,000 for no purpose at all; and the naval bill, which was under consideration this morning, proposes to give the President \$115,000,000 more, to be used at his discretion in the execution of contracts for armament. The joint resolution which I understand is now before the Committee on Foreign Relations of the Senate proposes to give the President \$100,000,000 more to be used according to his view of the public needs. When will it stop? How soon will Congress refuse to abdicate its functions and appropriate money only for specific purposes, the need of which Congress may apprehend and understand?

So far as I am concerned, I rebel against the constant encroachment of the Executive power—and I am not now speaking, of course, of any one President—upon legislative authority. We might apparently just as well attempt to put all the property of this country at the disposal of the President, leaving him to levy such taxes as may seem fit to him, for such purposes as he may think are for the public welfare. I am every day astonished at the rapidity of the advance we are making toward the complete surrender of legislative functions.

I have called attention to these things because I believe this bill is subject to this criticism. I believe that it is bad all the way through. There is not a man in the Senate who will more gladly vote for the taxes necessary to fill the Treasury with the funds that are required for the national defense than I; but I protest against new, untried, unworkable systems. I say "unworkable." I think it has been mentioned before, but I put the question now to my Democratic friends, How long do you think

it will be before you can establish the basis necessary to levy the 8 per cent tax upon net incomes above 8 per cent dividends? I venture to say that you can not do it with any justice in 10 years.

Three years ago we gave to the Interstate Commerce Commission the authority, and the direction also, to enter upon the work of valuing the railroad property of the United States. We have appropriated millions upon millions of dollars in order to enable them to carry on that work. The commission has a vast force to carry it on, and very properly so—I have no criticism upon it whatever—but it is estimated, as I understand, that it can not be completed within the next three years. Does the majority take the view, as I do, that it will be necessary for the Commissioner of Internal Revenue or the Secretary of the Treasury to value every railroad in this country in order to ascertain whether the railroads must pay the 8 per cent additional tax? I do not know whether it is the purpose of the majority to have that done; but I assert that it must be done before the system can be laid even upon the railway property in the land. Let us see for a moment. Section 201 provides:

That in addition to the taxes now under existing laws there shall be levied, assessed, collected—

And so forth—

a tax of 8 per cent of the amount by which such net income exceeds the sum of (a) \$5,000 plus (b) 8 per cent of the actual capital invested.

We come then to section 202, which defines the term "actual capital invested," and it is there declared that it means:

(1) Actual cash paid in.

I wish the chairman of the committee, a very distinguished Senator, and I think entirely devoted to the public good, had inquired of the Interstate Commerce Commission and ascertained how that body was progressing with the work of discovering the actual cash paid in to the various railway corporations of the land. That is one of the elements provided in the law of 1913 which the commission was charged to discover, and it has been very diligent in that attempt, but its success has not been gratifying to those who believe that "actual cash paid in" does constitute a very important element in valuing the property.

The bill proceeds:

(2) The actual cash value of assets other than cash at the time such assets were transferred to the corporation or partnership.

Mr. President, that involves the valuation of all the corporate property of the United States, including the railways. I can not say accurately how many corporations will come under this proposed law, but there are 100,000 corporations, at least, which will fall, or may fall, under its operation. I should like to know whether it is contemplated that the Secretary of the Treasury shall undertake the task of valuing and ascertaining the cash value of the thousands of corporations which will be called upon to pay the tax and the thousands of partnerships which will also come within the scope of the law. Tell me, if you please, how long it would take the Secretary of the Treasury to ascertain the cash value of the property of the United States Steel Corporation. If the Secretary were given all the help that an appropriation could furnish him, he could not ascertain the value of that property in three years. How long would it take the Secretary of the Treasury to ascertain the cash value of the property of the Standard Oil Co.? I might recite thousands of other corporations that are very large, but not so large as these.

Mr. President, a plan of that kind simply keeps the word of promise to the ear and breaks it to the hope. I assume the majority of the committee did not consider that phase of the problem; but it must be considered before any revenue can be derived from this source. I had hoped for something better, but the hope is almost gone now, and the Senator from Minnesota [Mr. CLAPP] suggests I ought not even to waste a hope on it; and probably he is correct, for it seems to me that everybody has gone crazy but myself. [Laughter.] I do not see why a proposal of this sort does not excite universal indignation. I can not understand it. When it was so easy to raise this money in an undisputed way, in a fair and equitable way, we resort to a system of this kind, that will either turn to ashes in the day of its victory or will be administered through an arbitrary will that has no power above it to correct or restrict it.

I felt, Mr. President, that I could not say less than I have said with regard to the measure as a whole. I regret more than I can express that I am unable to vote for a measure that is intended to make the Government strong to resist any attack that may be made upon it. I feel, like all other loyal Americans, that we ought to stand foursquare to the world to defend ourselves wherever we are unjustly assailed; but, with that keen and overwhelming desire, I can not bring myself to vote for a system such as I have described.

I come now, Mr. President, to say a few words about the so-called oleomargarine amendment. I have already alluded to the circumstances under which it was brought forward, and which, I think, ought to have prevented its appearance in this body at this time and in such a bill. As to its merit, the Senator from Alabama [Mr. UNDERWOOD], in discussing it, was careful to say that popular opinion was sweeping strongly in favor of the amendment. He reminded those of us who live in agricultural States that are in part given over to the production of butter—I think he said a very large majority, although he may have said 75 per cent or 90 per cent, of the people were in favor of the amendment. I thought he intended to convey delicately the thought that if we did not vote for the amendment we might be overwhelmed by those who are interested in some way in promoting the manufacture of oleomargarine.

I think there are more people in my State who are consumers of butter than there are who produce butter. I think there are probably more people engaged in cattle raising generally than are engaged in the dairy industry. That makes no difference with me. There must be a right or a wrong about this matter, and I have confidence enough in the people of my country to believe that they can appreciate right and wrong. I do not believe that the people of my State always vote in accordance with their financial or pecuniary interests. I have enough confidence in them to believe that they are willing to do what they believe to be right, even if it is opposed to their immediate profit. There must be in this amendment some right or wrong. Those who propose it may not so intend it; but, after all, they are proposing it because, if it is adopted, it will enable those who sell oleomargarine to sell it for a higher price than they can now secure.

How the man or the woman who is consuming oleomargarine can be benefited by a policy which will advance the price of oleomargarine I do not know. It is utterly impossible for it to compete with butter except in so far as, through a bill of this sort, it becomes possible to delude and deceive the people who consume it into the belief that it is butter. So long as it is distinguished from butter it will never affect the price of butter, and the only effect of this amendment, if it were adopted, would be to increase the price of oleomargarine for one of two reasons: Either because a man, knowing the substance that he was eating to be oleomargarine, would rather eat yellow oleomargarine than white, or because he did not know that it was oleomargarine. One of the two reasons must be applicable to every phase of this controversy.

Now, let us see what the right or wrong of it really is from my standpoint. It has been a long time since butter was discovered; I will not pretend to say how long. We have traced this matter from the days of Abraham to the present moment. I have no reason to believe that they did not have butter before Abraham's time. I am not especially well informed about those ancient days, but I have an idea that they had butter before that time. During all the course of these years, somehow or other, butter has become associated inseparably in the minds of the people with a yellow color. The Senator from New York [Mr. WADSWORTH] said the other day, and I think he said truly, that there are times of the year when, if the dairyman is not particularly careful about the feed that he furnishes his cows, the butter will be substantially white. I think that is true; but, notwithstanding all of that, the world over, butter is associated with the yellow color, because during much the greater part of the year butter is naturally some shade of yellow. I think butter has appropriated that color. I think it is just as sacred to butter as a trade-mark is to the man who establishes and becomes its owner according to the laws of the land.

Something like 40 years ago an ingenious Frenchman invented or discovered the process of making oleomargarine, and he secured a patent upon it. I am not going to weary the Senate with any learned description of the art of making oleomargarine. I have heard a great deal said about it, and I think there has been more misinformation put before the Senate about oleomargarine during the progress of the debate than I have ever heard poured out on any given subject. I am afraid to say much about it myself, lest I shall fall into the same category; but I do know something about it, for it happens that about 25 or 30 years ago I was engaged in litigation which concerned the original patent that was issued for the process of making oleomargarine, and as it had subsequently been developed in this country; but that is neither here nor there. I am going to assume that there is a great deal of good butter and some bad butter in the market, and I intend to assume that oleomargarine is a healthful product and will serve as a fair substitute for the article that we call butter. I am not convinced that oleomargarine is unhealthful. I think that a man

of common strength and in fairly good health can eat oleomargarine with perfect impunity, and he will find it a sustaining and nutritious article of food.

No matter whether butter is good or bad or indifferent, there are some people who would rather have butter than oleomargarine; and when they come to buy their butter or eat their butter they look for a yellow substance, and when they see it they assume that it is butter. The Frenchman of whom I have spoken, and his successors in America, knowing that this color has been and is inseparably connected with the article known as butter, came to the conclusion that in order to market the product, in order to command the best price possible for it, they must color it so that it would be accepted everywhere as butter. In so doing, I think they committed a fraud. In so doing, I think their whole policy ought to fall under condemnation. I told the oleomargarine makers some 30 years ago, in the matter to which I have already briefly alluded, that they ought to abandon any such effort; that they ought to unite and establish a color for oleomargarine; that if they thought the people would not accept the natural color of the article then they ought to take an artificial color for it and gradually establish it in the public mind, and gradually attach it to the public taste. If they had done so, this great controversy which has raged from one end of the country to the other never would have taken place. I think I suggested that they might very well take pink as a suitable color for oleomargarine. Now, in those days ice cream was yellow, but in these days pink ice cream is just as fashionable and just as well received as yellow ice cream. Why could not the oleomargarine people have done the same thing? Every color except yellow was at their disposal, but they chose the yellow because they thought they could accomplish a fraud upon those who ate the substitute as well as upon those who dealt in it commercially.

Now, it makes no difference whether the coloring of oleomargarine is for the purpose of deceiving the people who eat it or whether it is for the purpose of recommending it to the taste of those who eat it; it is equally a fraudulent practice. If it is for the purpose of deceiving those who either buy or consume it, it is plainly a deception and a fraud. If it is to recommend it to the educated taste of the people of the country, then in so coloring it they are taking away from butter an advantage to which it is in morals, and I think in law, entitled.

For these reasons, Mr. President, I am opposed to the change in the law with regard to this article. I do not think there ought to be any tax levied upon oleomargarine. I do not think there ought to be any tax levied upon butter. There ought to be no imposition laid upon any article necessary for the sustenance of the people if the revenues can be found elsewhere. If I had my way, I would make it a criminal offense, with heavy penalties, for any manufacturer or any dealer in oleomargarine to give it any artificial color resembling butter. I would allow the manufacturer or producer of oleomargarine to color it, if he pleased, to his heart's content, provided he did not color it some shade of yellow that would give those to whom it was offered as food reason to believe that he or she was about to eat butter. Of course, when I say I would give him the right to use any color within the limits of the rainbow, I do not mean that he should be privileged to use any coloring matter that would make it destructive of health or life.

Mr. LANE. The Senator would not let the manufacturer make it purple, or blue, or anything like that?

Mr. CUMMINS. Well, Mr. President, I am not sufficiently familiar with the various colors to know what can be taken and used without injury, and so I can not answer that question. For the last few years I have been eating various confectionery decoctions at dinners that I have had the pleasure of attending, and I have found pink ice cream and brown ice cream and green ice cream, and I do not know whether I have had purple ice cream or not; but I do not remember any color that I have not seen put before me, unless it be purple, and I am not sure about that.

But to be entirely serious, Mr. President, the oleomargarine makers of this country ought to reform themselves and assume an honest basis. They have a product which may or may not be good. I am not going to put my opinion against that of so distinguished a scientist as my friend from Oregon, Mr. LANE. When he says that there are cells in oleomargarine that are hard to break down, and that may overcome the fellow who tries to break them down, why, I have no disposition to contradict him. But whether it is good or bad, I do not want it to be put upon the market so that it can be misunderstood at all, and I am not in favor of laying any tax whatsoever on it, but I insist, for the protection of the consumer as well as for the preservation of common, good faith in the business and

industry of the country that oleomargarine makers shall avoid the yellow color.

There is one very remarkable thing about this amendment which, I think, has not yet been called to the attention of the Senate—at least, I have not heard it—and I should like to read it in the presence of so just a man and so intelligent a critic as the Senator from Georgia [Mr. SMITH], who is a member of the committee.

Mr. LANE. Mr. President, if the Senator will permit me to interrupt him, would he object to the process of churning this concoction in milk so that it not only looks like butter, but tastes like butter made of good, fresh milk? And then, in addition, the better kinds of it are loaded with a certain amount of process butter itself in order to lubricate it for the purpose of getting it into one's stomach. Would he object to that? Does he not think that is as great a fraud as coloring it yellow?

Mr. CUMMINS. Mr. President, that presents a subject that I have not carefully considered.

Mr. LANE. Well, all right.

Mr. CUMMINS. All that I insist upon is that there shall be no fraudulent deception of the public. The Senator from Alabama [Mr. UNDERWOOD] very carefully laid before the Senate the provisions of the bill with regard to marking, which he claimed to be an adequate protection, and which he insisted would sufficiently guard the consumer against deception. As I remember, he did not read this provision. The provision I am about to read follows the first part of section 500, which provides for the name, and for the tax of 2 cents a pound, and for the penalty for breaking or interfering with the Government stamps that are put upon the packages. It then proceeds:

Provided, That margarine may be packed in any form required and removed from the place of manufacture under such regulations as are now or may hereafter be prescribed for export to foreign countries, or for consumption upon vessels plying between ports of the United States and those of foreign countries, or for the use of the United States Government, without the payment of tax thereon or affixing stamps thereto.

Section 501 then continues:

SEC. 501. All margarine shall be packed by the manufacturers thereof in separate sanitary "manufacturers' original packages" of one-fourth, one-half, 1, 2, 3, 5, or 10 pounds each, except as provided in section 400 of this act.

What I have read, Mr. President, means this: That manufacturers of margarine can prepare it for export without marking it at all, coloring it as they please. How long do you think we would maintain a market for our butter abroad if manufacturers of margarine were permitted to export from the United States a substance that could not be detected from butter without a chemical analysis? Our reputation is none too good now in foreign markets with regard to these things; and when we give to our manufacturers of an article like this, which is condemned in every foreign country, I think, the privilege of exporting it without even marking the packages with the name of the article, we will have destroyed what little respect we have retained abroad. Moreover, it can be put up without marking and sold to all vessels plying between ports of the United States and those of foreign countries. What motive is there for this? Why are not the men who work upon these vessels and the people who travel upon them entitled to just as much protection as our people who live upon the land in the United States? Will the Senate license our shipowners to impose upon the crews and the people who travel in this remarkable way?

Mr. CLAPP. Mr. President—

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. CLAPP. The Senator has introduced here a suggestion that, so far as I have heard the debate, has not been made yet, and I think it most important, and that is the effect upon our foreign butter trade of allowing oleomargarine colored in imitation of butter to go abroad.

There was a time when the butter of Denmark was known the world over, and had a market throughout the world. A few years ago I was reading about the wonderful decrease in the demand for the butter of Denmark, due to the fact that the makers of butter there had permitted the quality to fall below the standard of what it formerly was; and I think the very suggestion which the Senator has recently made is one of the most vital that has been made in the course of this discussion.

Mr. CUMMINS. I am very much obliged to the Senator for the suggestion, recalling an incident with which I was not, and am not, familiar. But the effect of permitting a fraud and a piracy of this character can be easily foretold. Further, oleomargarine may be put up without marking, and of course without stamps, and sold to the Government of the United States for the consumption of our Army and our Navy. Just at a time when we are preparing for defense against the world, when we are offering every reasonable inducement for enlistments in the Army and Navy, we are passing a law which contemplates that

in the guise of butter we intend to feed our Army upon oleomargarine. For myself, I think the soldier in the trenches is just as much entitled to know at least whether he is eating oleomargarine or butter as is the millionaire who sits at his princely table. I am not willing to make any such discrimination as is made in this bill, even though I thought that under any circumstances margarine should be painted a yellow color.

Why, gold is yellow. It is of all shades of yellow. There are no two gold mines that produce gold of the same color. We coin gold into money. What would you think if it were proposed to take silver and make it of the same size as a gold coin, leaving, however, the inscription upon it which we now require, and allow the mints to gild it, in order that it may bear the appearance of gold, and so deceive the unwary?

Mr. President, I have concluded what I have to say with regard to this particular subject. I have an amendment to the bill, or to a committee amendment which we have passed over, and which, when the time comes, I shall present. I have another amendment with regard to the tariff which, when the time comes, I shall present, with a brief argument in its behalf. I close what I have to say, again expressing my sincere regret that in a measure which is intended to accomplish great objects in which every American citizen has an equal interest, which is intended to provide the funds with which to prepare an adequate defense, we have before us a bill so full of inequity and injustice that I find it impossible to bring myself to its support.

Mr. WADSWORTH. Mr. President, I do not intend to address the Senate upon the pending amendment, which has been discussed so thoroughly by other Senators upon the floor and has just been commented upon by the Senator from Iowa. I intend to offer a few suggestions and comments on other portions of the revenue bill, and in doing so I am perfectly cognizant of the fact that I have not an all-comprehensive knowledge of the art or science of taxation, nor am I completely familiar with all the history of taxation imposed by the Federal Government or by the governments of the States.

In spite, however, of my comparative ignorance of this most difficult problem, which has taxed the ingenuity of governments and peoples since nations began to exist, I make bold to suggest that there is one feature of this revenue bill which is unique in the history of tax legislation in this country. It occurs in the very first section of the bill.

Sensors will observe that a special preparedness fund is created by this act and set aside for the purpose, first, of supporting the Army; second, supporting the Navy; and third, to defray the expenses of erecting fortifications along our seacoast. The bill provides that the money which shall be contributed to this fund shall be derived, first, from operation of Title II of the bill, which is the excess profits tax; second, from the operation of Title III of the bill, which is the increased inheritance tax; and third, by the contribution of \$175,000,000 per year from the proceeds of the revenue act which the Congress enacted last September, signed, I believe, September 8, 1916.

It will be further observed that the bill indicates that this \$175,000,000 which is to be contributed by the revenue act of last autumn represents an estimate of the increased amount brought into the Federal Treasury by the act of last September as compared with the laws which were on the statute books prior to that enactment.

If we look back to that law of last September and endeavor to ascertain from what chapters of that law the increase of \$175,000,000 annually was obtained, we are forced to the conclusion that that increase of \$175,000,000 is derived from the imposition of the inheritance tax, which was new at that time; also from the imposition of the so-called munitions tax, which was new at that time; also from the imposition of the tax on the capital stock of corporations, which was new at that time so far as Federal taxation is concerned; and also from the doubling of the normal income-tax rate, and the raising of the rates of the surtax upon large incomes.

So, Mr. President, it will be found that for the first time, I believe, in the history of the Government special taxes are assessed upon a comparatively small group of people for the support of the Army and the Navy. It was estimated at the time we were debating the revenue bill of last year that it would not apply to much more than one-half of 1 per cent of the total population of the United States. I may say, in passing, sir, that it was not intended to apply to more than one-half of 1 per cent of the people if it could be avoided by the Democratic Party.

The revenue bill of last summer, however, did not go so far as to say that the money collected from one-half of 1 per cent of the people should be used for a specific purpose and that purpose alone; but this bill proceeds to say, in effect, that the one-half of 1 per cent of the people who are taxed under the

law of last summer and who will be taxed under this bill—and there will be no material increase in the number of individuals who will carry this burden—must contribute most of the support of the Army and the Navy during the rest of this administration.

I believe I am correct in saying that this is the first time in our history when the burden of the defense of the country is to be imposed intentionally, and, I may say with malice aforethought, upon a small fraction of the population. I may be somewhat old-fashioned in my ideas as to the functions of an Army and the functions of a Navy supported out of the Treasury of a great Nation. I have always understood that the Army and the Navy were supported and operated for the purpose of protecting all the people, whether they be rich or poor, proud or humble. I have labored under a delusion, apparently, that it was the duty of every citizen of the United States, with suitable exemptions and adjustments by which our tax laws shall be made scientific and bearable, to do his share in the defense of his country. I have believed that this was a democracy. Apparently the Democratic Party does not believe that this is good doctrine, for under this bill they specifically provide that 99½ per cent of the people shall not be called upon to contribute to the support of the Army and the Navy, if it can be avoided. I think it is unique in the history of all democracies that a great political party should come before the legislative branch and before the people and assert that as their doctrine and their last and presumably best thought upon the theory of taxation in a democracy.

I am perfectly well aware, Mr. President, that there are many Senators upon the other side and many Members of the House of Representatives on the majority side who take little or no interest in the Army or the Navy. I am well aware also that a school of thought has arisen in this country in recent years, and that furthermore it is making its voice heard throughout the land to-day in the presence of this great crisis. It seeks to teach the people of the United States that they owe no support to their Army or their Navy, that the mere existence of any such agencies of government is an evidence of barbarism.

I have had it impressed upon me pretty strongly in the last few days that this agitation is spreading, this agitation which attempts to place the defensive forces of the United States in the position of outlaws, this agitation which is attempting to prevent and persuade our young men from enlisting in any military force organized for the defense of the country. I assert with all solemnity that this very bill provides encouragement for just that kind of agitation, for it in effect makes the Army and the Navy the special concern of a small class of people and attempts to exempt the great mass of the people from any responsibility whatever in aiding in their support.

I say I have had these things brought to my attention with a good deal of emphasis quite recently. Not many days ago, Mr. President, I was called upon in my office in the Senate Office Building by a delegation of citizens, some 150 or 200 in number, who came to Washington to utter their protest against the Government of the United States using force to protect the lives and the property of Americans. Several of them made addresses in my presence and fully expounded their views. One of them suggested that there was no such thing as an American, that it was merely a term that had no meaning whatsoever, and that the life or the property of a citizen of this country was of no more concern to the other inhabitants of the country than the life or the property of a Turk or a Bulgarian. Another suggested that the word "patriotism" was misleading, that it had been used through centuries to cloak terrible crimes. Another insisted that under no circumstances whatsoever should any dispute be settled by force. Another suggested that there was no such thing as a just war, and that even the greatest war waged by the United States was a regrettable incident.

I describe these addresses made to me, Mr. President, to emphasize, if I can, the character of the agitation that is going on and which, if continued with any degree of success, will Chinify this people of ours. I am not sure that this agitation will succeed at once, but every Senator upon this floor knows that it is dinning into our ears pretty nearly every day. When I see this bill, which, as I said before, provides in an indirect method, but by no means an ineffective method, ammunition for just that kind of agitation, I confess that, as an American, I am distressed. I can not understand how Senators on the other side can, with due deliberation and with a full knowledge of the effect of this tax, insist that the Army and the Navy of the United States shall be supported financially by carefully selecting a few out of the 100,000,000 of people.

Will some Senator on the other side tell me why the tax collected from the liquor business should not contribute its full share to the support of the Army and the Navy, and why the

tax collected from the tobacco business should not contribute its share? Why is it that one-half of 1 per cent of the people are decreed or are to be decreed by statute as the people who will be responsible for the financial support of the defense of the United States?

The chairman of the Committee on Finance in one of his speeches here one or two days ago indicated very clearly one view of the Democratic majority upon this question; for he said in effect that this bill was calculated to impose taxes upon that portion of our people who were most anxious for the increase of the Navy and the maintenance of an adequate Army. In other words, Mr. President, if an American citizen believes that the Navy should be increased and that the Army should be modernized and made adequate, the Democratic Party says "All right, but we will make you pay for it." The same view was expressed by the Democratic leader of the House of Representatives when he indicated very clearly that under the operation of this proposed tax law the money would be collected principally from those communities in the United States which have been asking for protective measures against foreign invasion or attack.

Could any system or doctrine be more un-American than that? I am astounded that the leader of a great party in either House should ever endeavor to set up the principle that we Americans, all of us, whether we live in Wyoming or New York, whether we live in Minnesota or Florida, have not an equal interest in the defense of the country. Yet that is exactly what the leaders of the Democratic Party have indicated upon this floor and upon the floor of the House of Representatives.

Mr. President, the Army and the Navy are not local institutions; they are national; and everything that is done by the Congress with respect to the Army and the Navy, their management, their recruitment, the selection of their officers, and their financial support, should be done in a national spirit instead of in a provincial spirit. I regret exceedingly that this provincial spirit with respect to the defenses of the United States should crop out in the Congress and be reflected in the bill which the Democratic Senators have caucused upon, which they intend to pass, regardless of any criticism or suggestion whatsoever.

Mr. President, our system of national defense is none too democratic. For over 100 years we have relied apparently upon a theory or principle, if we may grace it with such a definition, that the armies and the navies shall be recruited for the defense of the country from those who are willing to defend the country, and from no one else. Incident to that undemocratic theory, which is the present difficulty under which we are struggling in an endeavor to form and maintain an adequate Army and Navy, witness the slackness in the recruiting. Add to that unjust and inefficient method of recruiting the defensive forces of the United States the Democratic Party coming along and making it worse by deliberately enacting into law a provision which says, in effect, "only a few of you will be called upon to support the Army and the Navy financially."

In one of the greatest crises that ever confronted the people of the United States the Democratic Party absolutely throws democracy out of the window. Selection is what they stand for, selection of some people to bear the burden; and then they blindly trust that some other people may be willing to come forward and shoulder the muskets. The combination of the two, in my humble judgment, particularly at this stage in our history as a Nation, is lamentable.

Mr. President, so much for the first section of this bill, which I regard as the most vital part of it. A good deal has been said upon the floor, particularly by Senators on the Democratic side, to the effect that it was their intention so long as they remained in power to tax the wealth of the country. I have listened to those declarations a good many times, and I have yet to see a law placed upon the statute books by our Democratic brethren which really taxes the wealth of the United States. As a matter of fact, none of the laws which are now upon the statute books tax the wealth of the country. They merely tax certain forms or manifestations of wealth; and it has been the consistent policy of the majority to carefully hand pick those forms or manifestations of wealth and make them bear the burden.

I know very well that a person who represents or attempts to represent in part the State of New York will get very little hearing from the present majority in the Senate or, in fact, in the House, and I do not intend to enlarge into a discussion of the effect of this tax imposed upon the people of the State which I in part represent. Suffice it to observe in passing that two years ago the citizens of the State of New York paid approximately 38 per cent of all the money collected into the Federal Treasury under the individual income tax and the corporation income tax. That was before the normal income tax

and the surtax had been raised by last year's act. That was before the inheritance tax was placed on the statute books, and necessarily that estimate was made before this proposed excess profits tax was decided upon. I apprehend, Mr. President, that before these gentlemen get through the State of New York will pay very nearly 50 per cent of all the money covered into the Treasury of the United States through the income tax, the excess profits tax, the capital-stock tax, and the inheritance tax.

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from New York yield to the Senator from Ohio?

Mr. WADSWORTH. I yield for a question.

Mr. POMERENE. In making that statement, does the Senator from New York take into consideration the fact that much of the property owned by residents of New York, and their investments, are in the States of Ohio, Indiana, Illinois, and every other State in the Union?

Mr. WADSWORTH. I understand that perfectly, Mr. President.

Mr. POMERENE. Then, does it impress the Senator from New York that it is a fair statement?

Mr. WADSWORTH. I had not completed my statement.

Mr. POMERENE. Well, I do not care to interfere with the course of the Senator's argument, but it seems to me that if a large part of this property which earns and which pays this tax is invested in other States, it is hardly fair to say that 38 per cent of that tax raised under the income-tax law is payable by residents of New York.

I have very distinctly in mind this situation: Several years ago, when we changed our tax laws in Ohio, quite a number of very wealthy gentlemen, and ladies as well, left Cleveland and other portions of that State to escape that tax, and took up their residence in New York. Now, if the good people of New York will send those people back to Ohio, it may in part equalize the tax which is paid by the several States.

Mr. WADSWORTH. The Senator from Ohio would evidently like an extradition law applicable to tax dodgers, and I am somewhat in sympathy with him in that regard. It may be related in passing, however, that the State of New York, and particularly the city of New York, at this time have reached that condition where they are commencing to drive people out of that State and that city on account of the desperate endeavor to get revenue for the localities—for the very reason that the Federal Government is invading the sources which up to this time have been relied upon by the States to support their institutions. I was not contending, and had not intended to contend, that all the money collected in the State of New York was paid by its citizens. If I created that impression, I did not intend to do so. I have contended, however, and shall contend, that these taxes are calculated to teach millions and millions of people that they owe no responsibility to the Government and are also intended, in so far as it can be brought about by carefully contrived legislation, to bring about a state of affairs in which great constituencies represented upon this floor escape almost entirely. Otherwise, you would not find in the capital-stock tax an exemption of \$99,000; otherwise, you would not find in the inheritance tax an exemption of \$50,000; otherwise, you would not find in the individual income tax an exemption of \$3,000.

I voted upon this floor last summer to lower the taxable income under the income tax to \$2,000 pursuant to an amendment offered by the Senator from Alabama [Mr. UNDERWOOD] in order that more citizens of the United States should come to understand that they owe some responsibility in contributing to the support of the Government; but the Senator from Alabama got very little encouragement in the roll call on that proposition from Senators upon the Democratic side of the Chamber.

I know it is perfectly human to so contrive laws that one's constituents are affected very lightly; but some day, somewhere, Mr. President, there must be a protest against the situation, which, as the Senator from Ohio [Mr. HARDING] has said, is dividing the people of the United States into classes and sections, a tendency which has already reached that extent where the Army and Navy are put off to one side and a particular class of people are called upon to support them.

Much has been said, as I have already indicated, about the taxation of wealth. This bill provides some food for thought, if nothing else. Speaking of taxing wealth, I should like to call the attention of the Senators to that provision of the bill which seeks to place a tax upon the excess profits of partnerships. We may find ourselves in some rather peculiar difficulties and in some inconsistencies with respect to that feature of the tax. I can not myself believe that the gentlemen upon the other side, who have been responsible for the framing of this legislation—if, indeed, it did originate in the Senate at all or in the other House—have thought over some of the effects which will result

from this proposed tax upon the excess profits of partnerships. The Senator from Massachusetts [Mr. WEEKS] made some very intelligent observations upon that feature of the bill. He did it in a way which I can not approach in excellence; he did it in a manner which showed his complete knowledge and familiarity with the business life of the United States—a knowledge and familiarity, Mr. President, that, I venture to say with all respect, the Democratic Party does not possess.

The tendency of the day is toward combinations between men in order the better to carry out their designs, whether it be in politics, whether it be in business, or whether it be in agriculture. As the Senator from Ohio has said, there is nothing intrinsically wicked or venomous in the formation of a corporation, and there can be no justification for the imposition of a tax upon the corporation holding the same sort of property that an individual may hold and at the same time absolve the individual from that same tax; nor can there be any justification for the imposition of a tax upon a partnership, and thereby punish two men or three men for joining their fortunes and endeavoring to be more successful, while the individual right next door, who owns just as much property and who does just as much business as do the three partners combined, escapes.

I look for the day when this sort of cooperation and organization will become entirely familiar and prevalent in agriculture. We hear much in these days about the necessity for organizing the food supplies of the country. We know down in the bottom of our hearts that something of that sort is necessary; that our present haphazard system of supplying the people of the congested cities with food occasionally breaks down with very regrettable results, largely on account of the fact, Mr. President, that there is no cooperation or organized system used in the marketing of food products. A way has already been pointed by the farmers in some portions of the country, notably in California, and in some instances in the Northwest, whereby great success has been attained in the marketing of the products of those regions, so that the consumer receives the product quickly and with reasonable cheapness, and the producer receives a fair price for the product that he sells. That is done through cooperation; through dozens of men entering into partnership. As I read this bill, they are to be punished for doing it; they are to be taxed; and the party in power proposes, through the operation of this kind of legislation, to place the taxing power of the Government as an obstacle in the path of that kind of progress.

I do not pretend, of course, to know the alpha and omega of agriculture and of all the development which is going on in that basic industry, but I can bring to my mind and to the attention of Senators who are sufficiently interested to listen some rather remarkable examples of what will happen under this proposed tax law. I know three young men who operate a considerable-sized farm near where I live. They work from morning until night. They are amongst the best farmers I have ever known and amongst the most public-spirited and patriotic young men I have ever known. They perform their obligations to the community in a civil and political way, and they attend to their business with industry and enterprise. No one of the three has an income in excess of \$3,000 a year, and, therefore, no one of the three pays any income tax, but with a reasonably good year upon their farm they will make together considerably more than \$5,000, and with a bumper crop and with extra good luck and hard work they will be subject to the tax under this bill. My own place is but 1 mile away, and with equal luck and with equal industry, if I can ever command it, I might be able to make as much for myself on my farm as they make on theirs, but I will be exempt, because I am an individual, while those three young men will be taxed because they are in partnership. Can there be any justification for any such system of taxation as that?

I can call to mind many, many instances of that kind. The same thing is true, I have no doubt, in the State of Illinois, where creamery companies have been organized by the joining together of a number of men of moderate means, who thus far have escaped the long arm of the Federal Government in its ceaseless search to get money out of the pockets of some selected group of people; but the instant they organize, the instant they become partners; the instant they attempt to progress and to do something to make agriculture more stable, to do something to standardize their products, then they come under the jurisdiction of this law in the event that they succeed in their efforts to the extent of making more than 8 per cent in any one year.

I believe there would be more justice in this tax if it provided that an excess profits tax should be levied upon profits which over a term of years have averaged more than 8 per cent; every man in business has his ups and downs, whether

he be a partner in a manufacturing concern or whether he be a partner in a farming concern, and the same thing is true of corporations. I have known many men in my business life who for two or three or four years at a time have made next to nothing, struggling along, trying to build up a business, carrying a heavy mortgage upon their property, whether it be a factory or a farm. Finally the golden day arrives; good luck has attended their efforts; their industry is rewarded; and they have an eminently successful year. Instantly the Federal Government takes some of their earnings away from them under this proposed statute, no account being had of the long years of drudgery and misery that have led up to that one prosperous period.

I have known of farmers in Kansas who have sold out their farms there, moved down into the Panhandle of Texas, bought land, and paid for it. Two of them, partners, went there together and struggled along in that semiarid region for year after year, building up a little herd of cattle by selective breeding, improving its quality, getting their brand well known in the community and in the cattle trade, planting and harvesting crops, suffering losses year after year, hanging on with their teeth, as it were—pioneers, breaking into new country—and when they finally reach the point where they can sell their cattle and their crops upon the market at a price that will bring them a remunerative return, at a price which will bring them 8 per cent upon their capitalization, they are called upon to contribute to the Government from their earnings under this proposed law. How the Treasury Department is ever going to determine what their capitalization is passes my comprehension, for under the terms of this bill their capitalization must be based upon the value of the property when it was put into the business. However, when they have reached that point the Government of the United States says, "I want some of your profits." Directly bordering upon the two or three sections of land owned by these men that I have in mind there is a private owner with thousands of acres who will not pay a cent under this bill. Yet, we are told that this bill is designed to tax the wealth of the United States. As a matter of fact, Mr. President, it will not tax many people. It is not intended to tax many people. The Democratic Party does not believe in spreading taxation over many of the people of the United States. It prefers, rather, to select a few to bear the burden and to teach the rest that they owe no obligation; but this bill, Mr. President, in its partnership provision, will tax very heavily men and women of very moderate means, who should not be called upon to contribute out of their occasional profits money for the support of the Army and the Navy when their neighbors are not called upon to contribute under any Federal tax law.

Mr. President, I am entirely aware that protests directed against this bill, against its undemocratic and unpatriotic spirit, are of no avail. I know perfectly well that some time during Wednesday night the bill will pass, but I regret that the day has come in the Congress of the United States when the defense of this country is to be imposed by statute upon a few of its citizens.

Mr. CURTIS. Mr. President, I had intended to submit some remarks on the oleomargarine amendment, which has been incorporated in the bill by the committee; but the hour is growing late, and, I understand, Senators desire to take a recess. I will therefore ask to have printed in the Record, as part of my remarks, a letter which fully covers the question.

The PRESIDING OFFICER. Without objection, the letter will be printed in the Record.

The letter referred to is as follows:

TOPEKA, KANS., February 14, 1917.

HON. CHARLES CURTIS, United States Senator,
Washington, D. C.

DEAR SENATOR: We take the liberty of confirming a wire we sent you to-day, as follows:

"We appeal to you to investigate and to oppose Senator UNDERWOOD's amendment to revenue bill to tax oleomargarine 2 cents per pound and permit coloring of same. Please protect valuable dairy industry of Kansas. More oleomargarine manufactured last year than ever before. Permission to color yellow like butter will have tendency to fraud in its sale and will moreover increase cost of living."

There has appeared in the press of late a few articles clamoring for the removal of the tax on oleomargarine. We would infer from these articles that the writers thereof are not informed as to the object of placing a tax on oleomargarine or by parties interested in the oleomargarine business.

As you are well aware, the tax on oleomargarine was placed on same by Congress for the purpose of protecting the consuming public from fraud and deception in the purchasing of butter or oleomargarine. The present law in the United States places a tax of 10 cents per pound on oleomargarine when it is colored to imitate butter. It is taxed only one-fourth of 1 cent per pound when it is put up and sold in its natural color, which is white or very light yellow. This one-fourth of 1 cent a pound tax was placed on oleomargarine so as to bring it under the Internal Revenue Department as they have police facilities for enforcing the law and protecting the public against fraud.

The dairy men have no desire to place any tax on oleomargarine if it can be sold to the public for what it is. Every country where oleomargarine is sold or manufactured has certain restrictive measures controlling its sale and manufacture. Fraud and deception seem to have followed in the wake of this product. France, where the product originated during the Franco-Prussian War has had to amend its laws twice to protect the public against fraud in the sale of oleomargarine. European countries prohibit its being colored in imitation of butter, and they also require that it must be sold in separate stores where butter can not be handled. If such a law were possible under our form of government the tax would not be necessary. Germany, France and Belgium require that oleomargarine be sold in separate stores. In Denmark the law compels its being put up in a different style package from butter, the package being oblong in shape.

Writers of late have been giving the impression to the public that the manufacturers of oleomargarine are paying 10 cents a pound tax on same. The late report put out by the Internal Revenue shows that 97½ per cent of the oleomargarine in this country last year paid only one-fourth of 1 cent per pound tax. There was more oleomargarine manufactured last year than ever before in the history of the industry in this country. There was manufactured 152,509,912 pounds according to the report of the Internal Revenue Department just published. Of this amount 2,587,689 pounds were exported and consequently relieved from paying the tax. Of the enormous amount of oleomargarine produced during the year, only 3,403,287 pounds were taxed at 10 cents per pound, or a little less than 2½ per cent.

Dairying is becoming one of the principal industries of the State of Kansas. We trust that you can see your way clear to oppose Senator UNDERWOOD's amendment permitting of the coloring of oleomargarine. We admit that the present oleomargarine law is not perfect. It permits manufacturers to use the cheaper fats such as intestinal fats, vegetable oil, etc., in making their product. They are taxed only one-fourth of 1 cent a pound on same when sold in its natural color, and there is no limit to the amount of water that may be incorporated in oleomargarine. In addition to this such brands as "Butterine," "Jersey" brand, "Holstein" brand, "Guernsey" brand, and other names indicate that it is made from milk or cream. On the other hand if the creamery man incorporates the smallest fraction of a percent of foreign fats in connection with his butter he is required to pay a tax of 10 cents per pound and a license of \$600 per year, and to brand it adulterated butter. What the dairy interests of this State ask is to prevent oleomargarine from masquerading as butter.

Yours, truly,

J. J. CORKILL,
General Superintendent.

The PRESIDING OFFICER. The Secretary will state the amendment on page 15.

The SECRETARY. On page 15, after line 12, it is proposed to insert a new title to be known as Title V, as follows:

TITLE V.—MARGARINE TAX.

SEC. 500. That in lieu of the taxes now imposed by law upon the substances, mixtures, or compounds heretofore known as oleomargarine and which shall hereafter be known and designated as margarine, or its equivalent descriptive word when manufactured for export to a foreign country, there shall be levied, collected, and paid a tax at the rate of 2 cents per pound, to be paid by the manufacturer thereof, which tax shall be represented by internal-revenue stamp or stamps so affixed to the respective "manufacturers' original packages," hereinafter provided for, as to seal them securely, so that said packages may not be opened without destroying the stamp or stamps affixed thereto; and it shall be unlawful for any dealer, knowingly and willfully, to break said stamps, or to knowingly have in his possession such packages upon which said stamps have been broken or otherwise defaced: *Provided*, That margarine may be packed in any form required and removed from the place of manufacture under such regulations as are now or may hereafter be prescribed for export to foreign countries, or for consumption upon vessels plying between ports of the United States and those of foreign countries, or for the use of the United States Government, without the payment of tax thereon or affixing stamps thereto.

SEC. 501. All margarine shall be packed by the manufacturers thereof in separate sanitary "manufacturers' original packages" of one-fourth, one-half, 1, 2, 3, 5, or 10 pounds each, except as provided in section 400 of this act; and said "manufacturers' original packages" shall be packed in "shipping packages" containing not less than 10 pounds each, upon each of which shall be plainly branded, stamped, or printed the word "margarine" and a label as follows: "Notice.—The manufacturer of the margarine herein contained has complied with all the requirements of the law. Every dealer is cautioned not to break or deface the 'manufacturers' original package' herein contained or the revenue stamp or stamps thereon." Upon each of "manufacturers' original packages" shall be plainly branded, stamped, or printed the word "margarine," together with a caution notice as follows: "Notice.—Every person is cautioned not to use either this package or the stamp or stamps thereon again, or to remove the contents of this package without destroying the stamp, under the penalty of the law in such cases."

SEC. 502. That in lieu of the special taxes or licenses now imposed by law upon manufacturers of, and dealers in, oleomargarine, there shall be, and are hereby, imposed annually special taxes as follows: Manufacturers of margarine shall each pay \$600; wholesale dealers in margarine shall pay \$60; retail dealers in margarine shall each pay \$6.

SEC. 503. Margarine is here declared to be a food product; and, except as modified or repealed by this act, all the provisions of the existing laws relating to this product heretofore designated as oleomargarine shall continue in full force and effect, and all the general provisions of the internal-revenue statutes for the assessment and collection of taxes and licenses, and for seizures, forfeitures, and punishments for violations thereof, are hereby extended and made to apply to this food product, the taxes imposed by this act, and the persons upon whom imposed. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, is hereby authorized and required to make all needful rules and regulations to carry this act into effect. Nothing herein contained shall be construed to alter, amend, or repeal the provisions of the act of June 30, 1906, as amended, known as the meat food inspection act, nor the provisions of the act of June 30, 1906, as amended, known as the pure food and drug act.

During the reading of the amendment,

Mr. SMOOT. Mr. President, I will say to the Senator having the bill in charge that if we are to recess it seems to me we had better recess now, because there is no question but that the amendment will have to be read at the time it is voted on.

Mr. SIMMONS. No; I think we had better have the amendment read this afternoon.

Mr. PENROSE. Read it now.

Mr. SMOOT. Then, of course, it will have to be read again to-morrow.

Mr. SIMMONS. Why will it have to be read again? Every Senator has it before him. It is a mere form.

Mr. PENROSE. It is only a form to read it.

Mr. SMOOT. I have no doubt but that to-morrow, just before voting, some Senator will ask that it be read.

Mr. SIMMONS. I do not think so.

The Secretary resumed and concluded the reading of the amendment.

Mr. PENROSE. Mr. President, I suppose the Senate is not prepared to vote on this amendment now, and I take this opportunity to have placed in the RECORD a list of imports of merchandise entered at the port of New York from Japan during the period beginning with November 25, 1916, and ending January 26, 1917.

I think, Mr. President, that this list of merchandise, aggregating nearly \$10,000,000, is extremely interesting and impressive. I also have here a letter from Mr. C. H. Brown, an expert in statistics of this kind, representing the national hosiery industry, part of which I will ask to have inserted in the RECORD, explaining the significance of these figures.

The PRESIDING OFFICER. Without objection, that will be done.

The matter referred to is as follows:

[Extract from letter from C. H. Brown.]

In preparing the import statistics from Japan during December, 1916, and January, 1917, I hope to call your attention, as well as Members of Congress, to the heavy imports from that country and the largely increased number of products they are sending to this market, those represented by small amounts being feelers for new trade. From my investigation, most of the new lines of merchandise are remaining and seem to be acceptable in the markets of the United States. From all the information I can gain, Japan is prepared to increase the amount of merchandise sent us as fast as conditions demand.

During the progress of the foreign war there has been but little interference with merchandise coming into this country from Japan, and it seems a fact that Japan is making a strong endeavor to supply merchandise which before the war came here principally from Germany. When one considers that Japanese wages compared with those in Germany and America are about as cents compared with dollars, it seems that American manufacturers are due to find competition from Japan far more difficult to meet than anything they have been compelled to contend with from Germany. So if American manufacturers are to be protected from Japanese low wages, they should have that protection now, as well as after the close of the foreign war, which, in my opinion, the figures submitted to you proves beyond contradiction.

Imports of merchandise entered at the port of New York from Japan during the period beginning with Nov. 25, 1916, and ending Jan. 26, 1917.

Products.	Quantities.	Values.
Silk fabrics, ungummed.....	pounds.. 223,591	\$1,511,901
Silk fabrics in the gum.....	do..... 18,825	94,103
Silk dyed in the piece.....	do..... 12,510	93,072
Silk yarns dyed and weighted.....	do..... 496	2,932
Silk yarn dyed, not weighted.....	do..... 24,588	149,819
Silk handkerchiefs, cut.....	do..... 47,663	47,663
Silk handkerchiefs, hemstitched and embroidered.....	do..... 65,260	65,260
Art silk yarns.....	pounds.. 170	590
Silk plush and velvet ribbons.....	do..... 298	298
Boots and shoes.....	pairs.. 3	2
Wool cloth and dress goods.....	square yards.. 19,310	7,205
Other manufactures of wool.....	do..... 1,955	9,749
Musical instruments and parts.....	do..... 4,173	3,064
Books and music.....	do..... 1,333	3,064
Silks spun in the gray.....	pounds.. 1,333	3,064
Silk flouncings.....	do..... 6,114	8,701
Wool carpets and rugs.....	square yards.. 3,391	2,679
Moss.....	do..... 32	52,085
Tungsten ore.....	tons.. 32	7,389
Feathers.....	do..... 19,568	141,000
Beads.....	do..... 149,219	13,719
Brushes.....	do..... 78	24,143
Buttons.....	do..... 5,000	1,080
Flax.....	do..... 1,388,148	32,097
Seeds.....	do..... 274,800	78,385
Dry horsehides.....	pounds.. 539,500	213,651
Metal filaments.....	do..... 1,168	560
Crude camphor.....	do..... 28,000	12,236
Refined camphor.....	do..... 50	7,830
Collodion.....	do..... 9,200	11,960
Salts of soda.....	do..... 1,145	82,889
Muriate of salts.....	pounds.. 384,312	74,130
Muriate of potash.....	do..... 558	11,660
Synthetic indigo.....	do..... 152	6,191
Medicinal preparations.....	do..... 1,204	
Unrefined black.....	pounds.. 384,312	74,130
Chemicals.....	do..... 558	11,660
Plumbago.....	tons.. 152	6,191
Iridium.....	do..... 1,204	
Scientific apparatus.....	do..... 1,204	

Imports of merchandise entered at the port of New York, etc.—Contd.

Products.	Quantities.	Values.
Manufactures of shell and mother-of-pearl.....	do.....	\$1,023
Fertilizers.....	do.....	2,592
Manufactures of bone and horn.....	do.....	913
Manufactures of ivory.....	do.....	1,678
Art works.....	do.....	49,975
Manufactures of India rubber.....	do.....	1,426
Manufactures of bronze.....	do.....	10,902
Manufactures of wood.....	do.....	85,853
Manufactures of iron and steel.....	do.....	19,449
Manufactures of lead.....	do.....	778
Antimony matte.....	pounds.. 168,000	17,873
Coal-tar colors.....	do..... 2,116	8,861
Metals.....	do.....	19,265
Manufactures of copper.....	do.....	31
Pocketknives.....	dozen.. 2	2
Scissors.....	do..... 623	2,148
Other cutlery.....	do.....	30
Carbons.....	do.....	1,855
Lenses.....	do.....	1,624
Cameras.....	do.....	191
Jewelry.....	do.....	1,359
Manufactures of gold and silver.....	do.....	2,470
Pearls.....	do.....	5,220
Imitation precious stones.....	do.....	2,619
Cotton cloth dyed in the piece.....	square yards.. 348,943	28,952
Other manufactures of cotton cloth.....	do..... 1,449,054	68,301
Other manufactures of cotton.....	do.....	25,675
Cotton handkerchiefs.....	do.....	1,839
Cotton velvets and plushes.....	square yards.. 1,172	470
Cotton, silk, and wool wastes.....	pounds.. 286,000	60,185
Cotton, silk, and wool wearing apparel.....	do.....	68,178
Cotton, silk, and wool ready-made clothing, also linen.....	do.....	40,983
Cotton underwear.....	do.....	238,562
Silk manufactures unenumerated.....	do.....	1,537
Lace curtains.....	do.....	17,390
Linen handkerchiefs.....	do.....	1,064
Manufactures of fibers.....	do.....	181
Matting.....	square yards.. 134,615	7,204
Straw hats.....	do.....	27,841
Materials for hats.....	do.....	69,507
Other manufactures of straw.....	do.....	1,365,416
Undressed furs and skins.....	do.....	10,249
Furs dressed on the skin.....	do.....	6,722
Unmanufactured animal hair.....	pounds.. 7,729	3,427
Cleaned human hair.....	do.....	766
Uncleaned human hair.....	pounds.. 180	297
Bristles.....	do..... 1,931	4,157
Fans.....	do.....	2,237
Umbrellas.....	do.....	984
Pens and penholders.....	do.....	763
Manufactures of furs.....	do.....	401
Window, plate, and other glassware.....	do.....	4,024
China, decorated.....	do.....	53,420
China, not decorated.....	do.....	383
Earthenware, decorated.....	do.....	22,169
Earthenware, not decorated.....	do.....	1,610
Other earthenware.....	do.....	181
Manufactures of leather.....	do.....	448
Dolls and toys.....	do.....	73,666
Paper hangings.....	do.....	5,526
Other manufactures of paper.....	do.....	213,456
Pipes.....	do.....	436
Starch.....	pounds.. 4,287,588	205,095
Tea.....	do..... 1,261,074	169,337
Vegetable wax.....	do.....	32,763
Vegetable oils.....	do.....	6,639
Fish oil.....	gallons.. 16,995	17,274
Crab meat.....	pounds.. 25,320	5,904
Shrimp.....	do.....	632
Meat products.....	do.....	7
Bread and biscuit.....	do.....	49
Macaroni.....	pounds.. 500	16
Rice flour.....	do..... 100	4
Cleaned rice.....	do.....	4,000
Mushrooms.....	do.....	42
Fruits and nuts.....	do.....	38
Pickles and sauces.....	do.....	165
Beans and peas.....	bushels.. 56,812	154,913
Cured fish.....	do.....	578
Spices.....	pounds.. 70,000	5,471
Prepared vegetables and fruits.....	do.....	695
Wines.....	do.....	980
Sugar candy.....	do.....	17
Matches.....	do.....	35,196
Bulbs.....	number.. 1,266,763	41,163
Plants.....	do.....	3,693
Perfumery.....	do.....	10
Bottles.....	do.....	133
Lithographic labels.....	do.....	5
Bicycles.....	do.....	1,159
Pencils.....	do.....	559
Post cards.....	do.....	45
Free articles.....	do.....	20,675
Dutiable articles not enumerated.....	do.....	198,383
Total, 135 products.....	do.....	9,832,630

Mr. WADSWORTH. Mr. President, may I inquire of the Senators in charge of the bill if it is the intention to take a recess to-night and have no morning hour to-morrow?

Mr. HUGHES. That is the intention, as I understand.

Mr. SIMMONS. That is the understanding.

Mr. WADSWORTH. I dislike very much to consume any time now, but I should like to call attention to a very difficult

situation with respect to this extension of the permit for the use of water at Niagara Falls. The resolution (S. J. Res. 218) which authorizes the extension of that permit beyond July 1 next is now upon the table.

Mr. PENROSE. I suggest to the Senator that he call it up now.

Mr. SMITH of Georgia. Can we not take it up by unanimous consent now?

Mr. WADSWORTH. The Senator from Wisconsin objected to its immediate consideration this morning in order to give him a chance to prepare an amendment; and if there is to be no morning hour to-morrow and the revenue bill is taken up immediately upon the convening of the Senate to-morrow, it will be utterly impossible under the unanimous-consent agreement, as I understand it, to reach the Niagara Falls extension permit to-morrow.

Mr. FLETCHER. The bill can be laid aside by unanimous consent.

Mr. SMITH of Georgia. Which of the Senators from Wisconsin was it?

Mr. WADSWORTH. The junior Senator from Wisconsin [Mr. HUSTING].

Mr. PENROSE. Does the senior Senator from Wisconsin know whether or not the junior Senator from Wisconsin would object?

Mr. LA FOLLETTE. He would object to its consideration to-night.

Mr. WADSWORTH. I am not asking for the consideration of it to-night, because I understand perfectly that the junior Senator—

Mr. SMITH of Georgia. It is perfectly agreeable to us to adjourn.

Mr. SMOOT. No; not to adjourn; to recess.

Mr. SMITH of Georgia. I say it is agreeable to the Senators on this side.

Mr. PENROSE. The understanding is that we will not adjourn; that we will take a recess. The minority have been crowded under this unanimous-consent agreement and have not had a fair opportunity to present their views.

Mr. SMITH of Georgia. What I was endeavoring to do was to explain to the Senator from New York that we were not wishing to cut him off. We agreed to a recess because we thought it was the wish of the Senators on the other side of the Chamber.

ARMED MERCHANT SHIPS.

Mr. STONE. Mr. President, the Committee on Foreign Relations has had under consideration the recommendation made by the President in his address before the joint session of the two Houses on yesterday; and that committee has directed me, as its chairman, to introduce the bill I now send to the desk, and ask that it be read the first and second times and referred to the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection—

The SECRETARY. A bill authorizing the President of the United States to supply merchant ships, the property of citizens of the United States and bearing the registry of the United States, with defensive arms, and for other purposes.

Mr. PENROSE. Let it be read, Mr. President.

The PRESIDING OFFICER. Request is made that the bill be read. The Secretary will read the bill.

The Secretary read the bill, as follows:

A bill (S. 8322) authorizing the President of the United States to supply merchant ships, the property of citizens of the United States and bearing the registry of the United States, with defensive arms, and for other purposes.

Be it enacted, etc., That the commanders and crews of all merchant vessels of the United States and bearing the registry of the United States are hereby authorized to arm and defend such vessels against unlawful attacks, and the President of the United States is hereby authorized and empowered to supply such vessels with defensive arms, fore and aft, and also with the necessary ammunition and means of making use of them; and that he be, and is hereby, authorized and empowered to employ such other instrumentalities and methods as may, in his judgment and discretion, seem necessary and adequate to protect such vessels and the citizens of the United States in their lawful and peaceful pursuits on the high seas.

SEC. 2. That the sum of \$100,000,000 is hereby appropriated, to be expended by the President of the United States for the purpose of carrying into effect the foregoing provisions, the said sum to be available until the 1st day of January, 1918.

SEC. 3. That for the purpose of meeting the expenditures herein authorized the Secretary of the Treasury, under the direction of the President, is hereby authorized to borrow on the credit of the United States and to issue therefor bonds of the United States not exceeding in the aggregate \$100,000,000, said bonds to be in such form and subject to such terms and conditions as the Secretary of the Treasury may prescribe, and to bear interest at a rate not exceeding 3 per cent per annum: *Provided*, That such bonds shall be sold at not less than par, shall not carry the circulation privilege, and that all citizens of the United States shall be given an equal opportunity to subscribe there-

for, but no commission shall be allowed or paid thereon; that both principal and interest shall be payable in United States gold coin of the present standard of value, and be exempt from all taxation and duties of the United States, as well as from taxation in any form of all State, municipal, or local authorities; that any bonds issued hereunder may, under such conditions as the Secretary of the Treasury may prescribe, be convertible into bonds bearing a higher rate of interest than 3 per cent per annum if any bonds shall be issued by the United States at a higher rate than 3 per cent per annum by virtue of any act passed on or before December 31, 1918.

SEC. 4. That in order to pay the necessary expenses connected with the said issue of bonds, or any conversions thereof, a sum not exceeding one-fifth of 1 per cent of the amount of bonds herein authorized to be issued, or which may be converted, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be expended as the Secretary of the Treasury may direct.

SEC. 5. That the President is authorized to transfer so much of the amount herein appropriated as he may deem necessary, not exceeding \$25,000,000, to the Bureau of War Risk Insurance, created by act of Congress approved September 2, 1914, for the purpose of insuring vessels, their freight, passage moneys, and cargoes against loss or damage by the present risks of war.

Mr. WATSON. Mr. President, I should like to ask the chairman of the committee whether or not that is a unanimous report; or did I understand him to say it was a unanimous report of the committee?

Mr. STONE. I made no statement with respect to that.

Mr. WATSON. I understood the Senator to say—perhaps I misunderstood him—that it was a unanimous report of the committee.

Mr. STONE. I made no statement upon that subject.

Mr. WATSON. Has the Senator anything to say on that point for the illumination of the Senate?

Mr. STONE. I have not.

Mr. LA FOLLETTE. Mr. President—

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. LA FOLLETTE. Do I understand that unanimous consent was granted for the introduction of that bill at this time?

The PRESIDING OFFICER. That is the ruling of the Chair.

Mr. LA FOLLETTE. Well, Mr. President, just this word: No one could know what that bill was until it was read; and I ask now, in all fairness, that the request for unanimous consent, since the Senate is informed as to the character of the bill, be again submitted to the Senate.

The PRESIDING OFFICER. The ruling of the Chair was made after it was inquired if there was objection, and the Chair does not understand that the unanimous consent given can be withdrawn. Without objection, the bill will be considered read the first and second time—

Mr. LA FOLLETTE. Well, I object, Mr. President.

The PRESIDING OFFICER. As the Chair understands it—the Chair is just now making a ruling—without objection it was done, and it will be considered read the first and second time and referred to the committee.

Mr. THOMAS. Mr. President, I desire to call the attention of the ranking member of the Finance Committee to one—

Mr. LA FOLLETTE. Mr. President—

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. LA FOLLETTE. I understand from the chairman of the committee who presented the bill, the Senator from Missouri [Mr. STONE], that no request for unanimous consent was made.

Mr. STONE. I think it is fair to say what the RECORD itself will disclose.

The PRESIDING OFFICER. The Chair announced that, without objection, the bill would be received; and it was presented and was read.

Mr. STONE. I will say that I did not make a formal request for unanimous consent. I stated, as I recall it, that I introduced the bill by request of the Committee on Foreign Relations as the action taken by the committee on the recommendation made by the President in his address of yesterday, and I think the Chair said, "If there be no objection, the bill will be received," or words to that effect.

The PRESIDING OFFICER. The bill was presented, and the Chair understood that the bill at this time could not be presented except by unanimous consent. "Without objection," the Chair said, "the bill will be presented," and it was asked that it be read, and necessarily it was done by unanimous consent.

Mr. LEA of Tennessee. Mr. President, in a spirit of fairness I suggest that the Reporter read the proceedings from the time the bill was offered by the Senator from Missouri.

The PRESIDING OFFICER. The Chair will state that the ruling has been made. If the Senator from Wisconsin desires to appeal from the decision of the Chair, or to make some motion relative to it, the Chair will entertain it.

Mr. LA FOLLETTE. I do not understand that unanimous consent has been given for the first and second reading of the bill.

The Reporter read as follows:

Mr. STONE. Mr. President, the Committee on Foreign Relations has had under consideration the recommendation made by the President in his address before the joint session of the two Houses on yesterday; and that committee has directed me, as its chairman, to introduce the bill I now send to the desk, and ask that it be read the first and second time and referred to the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection—

The SECRETARY. A bill authorizing the President of the United States to supply merchant ships, the property of citizens of the United States and bearing the registry of the United States, with defensive arms, and for other purposes.

Mr. PENROSE. Let it be read, Mr. President.

The PRESIDING OFFICER. Request is made that the bill be read. The Secretary will read the bill.

Mr. LA FOLLETTE. Mr. President, it is quite apparent from the reading of the notes that the Presiding Officer did not present any request to the Senate or make any statement to the Senate that implied the submission of a unanimous-consent request. A request has been made for unanimous consent for the first and second readings of the bill, and no opportunity has been given to any Senator to object to the first and second readings of the bill, as shown by the record.

The PRESIDING OFFICER. The Chair will hold that since the bill could not have been introduced except by unanimous consent, when it was offered, and the Chair said "without objection," and nobody objected, the ruling of the Chair is to the effect that the matter was presented. That is the ruling of the Chair, and it would be too late to object to the presentation of the bill under those conditions. If there is a difference with the ruling of the Chair there is a method of remedying that difference and getting relief from it, if the Senator from Wisconsin desires to appeal from the decision of the Chair.

Mr. SMOOT. So that the record may be straight, I want to ask the Presiding Officer if he holds that the mere statement of the Chair that without objection the bill will be read is equivalent to a unanimous-consent agreement, or does the Chair hold that it was a unanimous-consent agreement because the bill could not have been introduced except by unanimous consent?

The PRESIDING OFFICER. The Chair holds that since it could not have been introduced except by unanimous consent when it was offered, and the Chair said, "without objection, this will be done," it was done by unanimous consent.

Mr. SMOOT. The mere fact that the Chair said "without objection," as read by the Reporter, and there being no objection has been held not to be a unanimous-consent agreement; but if the Chair holds that the bill could not have been introduced unless by unanimous consent, and therefore it was done by unanimous consent, that is another question entirely. I do not know that I have ever heard that point decided.

The PRESIDING OFFICER. It is the ruling of the Chair that it could not have been introduced except by unanimous consent, and when it was offered and the Chair said "without objection," and no objection was made, it necessarily was introduced by unanimous consent.

Mr. STONE. I did not suppose there would be any objection to the introduction of the bill. It is so customary to interrupt the proceedings when the unfinished business is under consideration to introduce a bill for reference that I did not suppose there would be any objection to it, and hence I made no formal request for unanimous consent. I can not perceive at the moment that any right or privilege or opportunity has been lost to anyone by the mere introduction of the bill. It is a committee bill; I was directed by the committee to introduce it merely for reference to the committee, and I hope there can be no criticism or objection to the course taken.

Mr. LA FOLLETTE. The course taken, if taken under the rule, as I understand it, would mean the saving of one day's time in getting the bill out of committee and before the Senate. Did I understand that the right to demand the first and second readings of the bill is held to have been surrendered?

The PRESIDING OFFICER. Is the Senator from Wisconsin asking for a further ruling on the question?

Mr. STONE. On the suggestion of some of my colleagues of the committee, that there may be no criticism whatsoever, and inasmuch as in my opinion as well as that of others it would not expedite or delay the consideration of the bill, I have no objection whatever to a reconsideration of the action taken by unanimous consent.

The PRESIDING OFFICER. The Chair will hold that the bill has been introduced, and has been read one time, and it has not been read the second time, and if it is desired to object to it, the objection would be made, of course, to a second reading. But if unanimous consent is asked to reconsider upon that point, whatever the Senate does about the matter is, of course, the rule. Without objection—

Mr. LODGE. I do not think we can reconsider a unanimous consent.

Mr. LA FOLLETTE. I do not ask for a reconsideration, but I do object to the second reading of the bill.

The PRESIDING OFFICER. The bill will lie over until tomorrow on objection to its second reading.

THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes.

Mr. THOMAS. Mr. President, the unanimous-consent agreement under which the Senate is now acting in regard to the revenue measure provides that "at 8 o'clock p. m. on Wednesday, February 28, 1917, the Senate will proceed to vote," and so forth. I am informed that it is understood between the Senator having charge of the bill and the minority that we shall recess at this hour until to-morrow morning at 10 o'clock. In that event the legislative day will continue until to-morrow as of the 27th.

I wish to ask the Senator from Pennsylvania [Mr. PENROSE] whether, in his opinion, the recess will in any wise affect the operation of the unanimous-consent agreement. The agreement does not specify whether we shall vote upon a calendar day or a legislative day. To-morrow will be the legislative day of the 27th if we take a recess. I thought best to clear up any possible question about the effect of a recess upon the unanimous-consent agreement before a recess is taken.

Mr. PENROSE. Mr. President, it does not seem to me that there is any doubt about it, because the unanimous consent does not mention any legislative day. It specifically mentions Wednesday.

Mr. THOMAS. That is my understanding. I am glad the Senator agrees with me.

Mr. STONE. Before a recess is taken I am going to prefer a request for unanimous consent that the Senate now proceed to the consideration of executive business, to continue not later than half-past 6, and that no business be done except to read and refer nominations.

Mr. THOMAS. Before that request is put, will the Senator withdraw it sufficiently long to enable me to make a motion now that when the Senate recesses it shall recess until to-morrow morning at 10 o'clock?

Mr. STONE. I have no objection to that.

Mr. SIMMONS. Before the motion of the Senator from Colorado is put I wish to inquire if there is dissent by any Senators present to the construction of the Senator from Pennsylvania [Mr. PENROSE] of the unanimous-consent agreement.

The PRESIDING OFFICER. It has been ruled by the Chair that that construction is the correct one.

Mr. THOMAS. I ask that my motion be put that when the Senate takes a recess it shall be until to-morrow morning at 10 o'clock.

The PRESIDING OFFICER. Is there objection to the motion that when a recess is taken it shall be until to-morrow morning at 10 o'clock? No objection being made, it is agreed to.

Mr. NEWLANDS. Mr. President—

The PRESIDING OFFICER. The Senator from Missouri [Mr. STONE] has the floor.

Mr. NEWLANDS. I wish to ask the Senator from Missouri whether his motion will include the favorable report from committees upon appointments made. I have a report to make from the Committee on Interstate Commerce.

Mr. STONE. If there be no objection, I will extend the request so as to make it that no business shall be done except the receiving and presentation of nominations for reference and reports of committees on nominations already referred.

Mr. SMOOT. I shall object to the latter part.

Mr. STONE. Then I will not include it.

The PRESIDING OFFICER. Unanimous consent is requested to proceed to the consideration of executive business for the consideration of such matters as were mentioned by the Senator from Missouri.

Mr. NEWLANDS. Certainly the Senator from Utah did not understand my suggestion.

Mr. SMOOT. The Senator from Utah well understood it.

Mr. NEWLANDS. The Committee on Interstate Commerce is ready to report favorably on the nomination of two members of the Federal Trade Commission. I simply wish to make that report.

Mr. SMOOT. The Senator from Utah understands it. There will be plenty of chances to do that.

The PRESIDING OFFICER. There is objection to that part of the request. Is there objection to the request as first made by the Senator from Missouri?

Mr. OWEN. I should like to ask the consent of the Senate that on Thursday morning immediately after the morning business we may take up the bill proposing certain amendments to the Federal reserve act.

Mr. SMOOT. There is no necessity to ask unanimous consent at this time.

The PRESIDING OFFICER. There is objection.

Mr. SMOOT. On Thursday morning the Senator can move to take up the bill, and there is no question but that he will get the votes to take it up.

The PRESIDING OFFICER. There being objection, the question is whether unanimous consent is given to the request made by the Senator from Missouri that the Senate proceed to the consideration of executive business. Is there objection? The Chair hears none, and the Sergeant at Arms will clear the galleries and close the doors.

The Senate thereupon proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened, and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, February 28, 1917, at 10 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate February 27, 1917.

PROMOTIONS IN THE ARMY.

SIGNAL CORPS.

Maj. Daniel J. Carr, Signal Corps, to be lieutenant colonel from February 14, 1917, vice Lieut. Col. George O. Squier, appointed Chief Signal Officer, with the rank of brigadier-general.

Capt. Charles de F. Chandler, Signal Corps, to be major from February 14, 1917, vice Maj. Daniel J. Carr, promoted.

INFANTRY ARM.

Maj. John W. Heavey, Ninth Infantry, to be lieutenant colonel from January 26, 1917, subject to examination required by law, vice Lieut. Col. Sydney A. Cloman, Twelfth Infantry, resigned January 25, 1917.

Capt. Alexander E. Williams, Quartermaster Corps (Infantry), to be major from January 26, 1917, vice Maj. John W. Heavey, Ninth Infantry, promoted.

FIELD ARTILLERY ARM.

Capt. George V. H. Moseley, Fifth Field Artillery, to be major from July 1, 1916, to fill an original vacancy.

Capt. Charles M. Bundel, Sixth Field Artillery, to be major from July 1, 1916, to fill an original vacancy.

Capt. Charles D. Herron, Third Field Artillery, to be major from July 1, 1916, vice Maj. Harry G. Bishop, Fifth Field Artillery, promoted.

Capt. Robert C. Foy, Ninth Field Artillery, to be major from July 1, 1916, vice Maj. Dan T. Moore, unassigned, detailed in the General Staff Corps.

Capt. Edward T. Donnelly, Fifth Field Artillery, to be major from July 1, 1916, vice Maj. Frank E. Hopkins, unassigned, detailed in the Signal Corps.

Capt. George M. Brooke, Field Artillery, detached officers' list, to be major from August 3, 1916, vice Maj. John E. Stephens, unassigned, detailed in the Inspector General's Department.

Capt. Harry C. Williams, Field Artillery (detailed in Quartermaster Corps), to be major from September 22, 1916, vice Maj. Henry L. Newbold, unassigned, placed on detached officers' list.

Capt. Albert U. Faulkner, Fourth Field Artillery, to be major from September 22, 1916, vice Maj. Harry C. Williams, whose detail in the Quartermaster Corps is continued.

First Lieut. Robert G. Kirkwood, Third Field Artillery, to be captain from July 1, 1916, vice Capt. William McK. Lambdin, Fourth Field Artillery, promoted.

First Lieut. Harold E. Marr, Field Artillery, detached officers' list, to be captain from July 1, 1916, vice Capt. George V. H. Moseley, Fifth Field Artillery, promoted.

First Lieut. Joseph W. Rumbough, Fourth Field Artillery, to be captain from July 1, 1916, vice Capt. Charles M. Bundel, Sixth Field Artillery, promoted.

First Lieut. William McCleave, First Field Artillery, to be captain from July 1, 1916, vice Capt. Charles D. Herron, Third Field Artillery, promoted.

First Lieut. Allan C. McBride, Field Artillery, detached officers' list, to be captain from July 1, 1916, vice Capt. Robert C. Foy, Ninth Field Artillery, promoted.

First Lieut. Joe R. Brabson, Third Field Artillery, to be captain from July 1, 1916, vice Capt. Edward T. Donnelly, Fifth Field Artillery, promoted.

First Lieut. Leonard C. Sparks, Field Artillery, unassigned, to be captain from July 1, 1916, vice Capt. Walter E. Prosser, unassigned, detailed in the Signal Corps.

First Lieut. John A. Crane, Fifth Field Artillery, to be captain from July 1, 1916, vice Capt. John N. Greely, unassigned, detailed in the Signal Corps.

First Lieut. Frederick A. Prince, Fifth Field Artillery, to be captain from July 1, 1916, vice Capt. James M. Burns, detailed in the Ordnance Department.

First Lieut. Marshall Magruder, Field Artillery, unassigned, to be captain from July 1, 1916, vice Capt. Everett S. Hughes, detailed in the Ordnance Department.

First Lieut. Truby C. Martin, Sixth Field Artillery, to be captain from July 1, 1916, vice Capt. Thomas J. Smith, detailed in the Ordnance Department.

First Lieut. Wilbur Rogers, Seventh Field Artillery, to be captain from July 2, 1916, vice Capt. Arthur F. Cassels, Sixth Field Artillery, retired from active service July 1, 1916.

First Lieut. Louis R. Dougherty, Field Artillery, unassigned, to be captain from July 2, 1916, vice Capt. Edward A. Stuart, Second Field Artillery, retired from active service July 1, 1916.

First Lieut. Samuel R. Hopkins, Second Field Artillery, to be captain from July 7, 1916, vice Capt. Harry C. Williams, Fifth Field Artillery, detailed in the Quartermaster Corps.

First Lieut. Charles P. Hollingsworth, Field Artillery, unassigned, to be captain from July 7, 1916, vice Capt. Tilman Campbell, Sixth Field Artillery, detailed in the Quartermaster Corps.

First Lieut. Charles D. Daly, First Field Artillery, to be captain from September 22, 1916, vice Capt. Albert U. Faulkner, Fourth Field Artillery, promoted.

COAST ARTILLERY CORPS.

First Lieut. Norton M. Beardslee, Coast Artillery Corps, to be captain from July 2, 1916, vice Capt. John G. Workizer, retired from active service July 1, 1916.

First Lieut. William C. Whitaker, Coast Artillery Corps, to be captain from July 7, 1916, vice Capt. Harry W. Newton, detailed in the Quartermaster Corps.

First Lieut. James A. Brice, Coast Artillery Corps, to be captain from July 7, 1916, vice Capt. Charles E. N. Howard, detailed in the Quartermaster Corps.

First Lieut. James L. Dunsworth, Coast Artillery Corps, to be captain from July 7, 1916, vice Capt. John O. Steger, detailed in the Quartermaster Corps.

First Lieut. Dana H. Crissy, Coast Artillery Corps, to be captain from July 7, 1916, vice Capt. Graham Parker, detailed in the Quartermaster Corps.

First Lieut. Francis G. Delano, Coast Artillery Corps, to be captain from July 7, 1916, vice Capt. Richard H. Jordan, detailed in the Quartermaster Corps.

First Lieut. Raphael R. Nix, Coast Artillery Corps (captain, Ordnance Department), to be captain from July 7, 1916, vice Capt. Owen G. Collins, detailed in the Quartermaster Corps.

First Lieut. James L. Walsh, Coast Artillery Corps (captain, Ordnance Department), to be captain from July 7, 1916, vice Capt. Raphael R. Nix, whose detail in the Ordnance Department is continued.

First Lieut. Henry H. Malven, jr., Coast Artillery Corps, to be captain from July 7, 1916, vice Capt. James L. Walsh, whose detail in the Ordnance Department is continued.

First Lieut. Edward L. Kelly, Coast Artillery Corps, detached officers' list, to be captain from July 7, 1916, vice Capt. Louis C. Brinton, jr., detailed in the Quartermaster Corps.

First Lieut. Thruston Hughes, Coast Artillery Corps, to be captain from July 7, 1916, vice Capt. Mark L. Ireland, detailed in the Quartermaster Corps.

First Lieut. Charles B. Meyer, Coast Artillery Corps, to be captain from July 10, 1916, vice Capt. James A. Ruggles, promoted.

First Lieut. Frederick A. Mountford, Coast Artillery Corps, to be captain from July 10, 1916, vice Capt. Terence E. Murphy, promoted.

First Lieut. Fordyce L. Perego, Coast Artillery Corps, to be captain from July 15, 1916, vice Capt. Allen D. Raymond, promoted.

APPOINTMENTS IN THE ARMY.

CHAPLAINS.

Rev. George Runyan Longbrake, of Wisconsin, to be chaplain with the rank of first lieutenant from February 16, 1917, to fill an original vacancy.

Rev. Frank Campion Armstrong, of Illinois, to be chaplain with the rank of first lieutenant from February 16, 1917, to fill an original vacancy.

Rev. John Henry Hardy, of Texas, to be chaplain with the rank of first lieutenant from February 17, 1917, to fill an original vacancy.

PROVISIONAL APPOINTMENT, BY TRANSFER, IN THE ARMY.

Second Lieut. Erskine S. Dollarhide, Fifth Field Artillery, to be second lieutenant of Infantry, with rank from November 30, 1916.

Second Lieut. George N. Ruhberg, Twenty-sixth Infantry, to be second lieutenant of Field Artillery, with rank from November 30, 1916.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Medical Inspector George H. Barber to be a medical director in the Navy from the 2d day of October, 1916.

The following-named surgeons to be medical inspectors in the Navy from the 29th day of August, 1916:

Charles E. Riggs,
James F. Leys,
Frank C. Cook,
Charles P. Kindleberger,
Arthur W. Dunbar,
Theodore W. Richards,
Moulton K. Johnson,
Middleton S. Elliott,
Dudley N. Carpenter, and
James C. Pryor.

Surg. Washington B. Grove to be a medical inspector in the Navy from the 2d day of October, 1916.

Passed Asst. Surg. Robert G. Helner to be a surgeon in the Navy from the 12th day of June, 1916.

The following-named passed assistant surgeons to be surgeons in the Navy from the 29th day of August, 1916:

Robert E. Stoops,
Benjamin H. Dorsey,
Harry F. Hull,
William J. Zalesky,
Lewis H. Wheeler,
Henry A. May,
William D. Owens,
Owen J. Mink,
Frederick E. Porter, and
Paul T. Dessez.

Passed Asst. Surg. Norman T. McLean to be a surgeon in the Navy from the 20th day of September, 1916.

The following-named citizens to be assistant surgeons in the Medical Reserve Corps of the Navy from the 9th day of February, 1917:

William O. Bailey, a citizen of the District of Columbia,
William B. Fowlkes, a citizen of Virginia, and
Ralph H. Jenkins, a citizen of Maryland.

The following-named first lieutenants to be captains in the Marine Corps from the 29th day of August, 1916:

William B. Sullivan, and
Richmond Bryant.

The following-named acting assistant dental surgeons to be dental surgeons in the Navy from the 29th day of August, 1916:

Emory A. Bryant,
William N. Cogan,
Harry E. Harvey,
James L. Brown,
Eugene H. Tennent,
Joseph A. Mahoney,
Leon Martin,
Joseph D. Halleck,
Anson F. McCreary,
Marion E. Harrison,
Ernest W. Lacy,
Lucian C. Williams,
Harry W. Blaisdell,
Harry D. Johnson,
Paul G. White,
Cornelius H. Mack,
Arthur A. Rehm,
Hugh T. Meyers,
William L. Darnall,
Logan A. Willard,
John R. Barber,
George H. Reed,
Franklin L. Morey,
John V. McAlpin,
Marion W. Mangold,
Edward E. Harris,

Alexander G. Lyle,
Alexander J. Zuehlke,
John W. Crandall,
Thomas L. Sampsell, and
Thomas J. Daly.

The following-named assistant dental surgeons in the Dental Reserve Corps to be assistant dental surgeons in the Dental Reserve Corps of the Navy from the 29th day of August, 1916:

Williams Donnally,
George C. Kusel,
Meyer L. Rhein,
Clarence J. Grieves,
Charles W. Rodgers,
Clyde M. Gearhart,
David J. Alexander,
Walter C. Miller,
Edwin N. Cochran,
Gordon H. Claude,
Charles C. Galloway,
William M. Thebaut, and
George C. Fowler.

Julius L. Waterman, a citizen of New York, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 13th day of February, 1917.

The following named citizens to be dental surgeons in the Navy for a probationary period of two years from the 20th day of February, 1917:

Griffin G. Frazier, a citizen of the District of Columbia;
Rufus A. Ferguson, a citizen of Virginia;
Alfred W. Chandler, a citizen of New Jersey; and
Carl S. Ziesel, a citizen of New Jersey.

Naval Constructor Daniel C. Nutting, jr., with the rank of lieutenant commander, to be a naval constructor in the Navy with the rank of commander from the 29th day of August, 1916.

POSTMASTERS.

ALASKA.

J. F. Warder to be postmaster at Ketchikan, Alaska, in place of Minnie E. Swineford, resigned.

ARIZONA.

Robert T. Jones to be postmaster at Superior, Ariz. Office became presidential January 1, 1917.

ARKANSAS.

W. E. Lamb to be postmaster at Lepanto, Ark. Office became presidential January 1, 1917.

CALIFORNIA.

George C. Coggin to be postmaster at Armona, Cal. Office became presidential October 1, 1916.

Solomon Geer to be postmaster at Puente, Cal. Office became presidential January 1, 1917.

H. A. Hall to be postmaster at Bigpine, Cal. Office became presidential October 1, 1916.

Thomas F. Keating to be postmaster at Novato, Cal. Office became presidential January 1, 1917.

Henry A. Miles to be postmaster at Ramona, Cal. Office became presidential October 1, 1916.

Edward R. Neill to be postmaster at Indio, Cal. Office became presidential January 1, 1917.

William O'Grady to be postmaster at Kennett, Cal., in place of Kenneth V. Blair, resigned.

Ralph H. Read to be postmaster at Middletown, Cal. Office became presidential January 1, 1917.

Ross L. Taylor to be postmaster at Downieville, Cal. Office became presidential January 1, 1917.

COLORADO.

R. O. Casady to be postmaster at Springfield, Colo., in place of James E. Gordon, resigned.

FLORIDA.

E. L. Brigman to be postmaster at Panama City, Fla., in place of Al Hogeboom, removed.

Sterling L. Canter to be postmaster at Avon Park, Fla. Office became presidential January 1, 1917.

Charles T. Hellier to be postmaster at Jensen, Fla. Office became presidential January 1, 1917.

GEORGIA.

John S. Brown to be postmaster, at Locust Grove, Ga., in place of John S. Brown. Incumbent's commission expired June 7, 1916.

William Smith to be postmaster at Pearson, Ga. Office became presidential January 1, 1917.

John D. Watterson to be postmaster at Eatonton, Ga., in place of Thomas C. Spivey, resigned.

IDAHO.

D. Rolla Harris to be postmaster at Sugar, Idaho. Office became presidential July 1, 1914.

ILLINOIS.

Earl Bitner to be postmaster at Glasford, Ill. Office became presidential October 1, 1916.

Mary H. Hrdlicka to be postmaster at Cary Station, Ill. Office became presidential January 1, 1917.

John F. Petit to be postmaster at Mooseheart, Ill. Office became presidential April 1, 1916.

INDIANA.

Maggie L. Harding to be postmaster at Brownsburg, Ind., in place of James F. Harding, deceased.

Cyrenius W. Walters to be postmaster at Hazleton, Ind. Office became presidential January 1, 1917.

IOWA.

Jacob A. Schwartz to be postmaster at Fenton, Iowa. Office became presidential January 1, 1917.

LOUISIANA.

Edwin R. Ford to be postmaster at Jonesville, La. Office became presidential January 1, 1917.

MAINE.

Herbert M. Poland to be postmaster at Rockport, Me., in place of C. A. Churchill, resigned.

David H. Smith to be postmaster at Darkharbor, Me. Office became presidential October 1, 1916.

MARYLAND.

Edwin S. Worthington to be postmaster at Darlington, Md. Office became presidential October 1, 1916.

MASSACHUSETTS.

Abner Harlow to be postmaster at Mattapoisett, Mass., in place of J. S. Burbank. Incumbent's commission expired December 14, 1912.

Benjamin C. Kelley to be postmaster at Harwich Port, Mass. Office became presidential October 1, 1916.

Frank M. Reynolds, jr., to be postmaster at Nantasket Beach, Mass. Office became presidential October 1, 1916.

Edward W. Sullivan to be postmaster at Stockbridge, Mass., in place of Agnes J. Smith. Incumbent's commission expired December 20, 1915.

MICHIGAN.

George T. Baldwin to be postmaster at Fowler, Mich. Office became presidential October 1, 1916.

William Beacom to be postmaster at Pickford, Mich. Office became presidential January 1, 1917.

Nell H. Burns to be postmaster at Kingston, Mich. Office became presidential January 1, 1917.

Thomas J. Donlan to be postmaster at Dollar Bay, Mich. Office became presidential January 1, 1917.

Floyd W. Downing to be postmaster at Byron, Mich. Office became presidential October 1, 1916.

MINNESOTA.

Fleur de Lis Bradford to be postmaster at Verndale, Minn., in place of C. J. Aldean, resigned.

Bert S. Colton to be postmaster at Granada, Minn. Office became presidential October 1, 1916.

George A. Etzell to be postmaster at Clarissa, Minn. Office became presidential October 1, 1916.

Joseph Groebner to be postmaster at Wabasso, Minn. Office became presidential October 1, 1916.

Edith A. McN. Marsden to be postmaster at Hendrum, Minn. Office became presidential October 1, 1916.

De Wane Searles to be postmaster at Elgin, Minn. Office became Presidential October 1, 1916.

William H. Sturgeon to be postmaster at Canton, Minn. Office became presidential October 1, 1916.

MONTANA.

Don W. Beeman to be postmaster at Lambert, Mont. Office became Presidential October 1, 1916.

Frank Bernatz to be postmaster at Dixon, Mont. Office became presidential January 1, 1917.

Mattie C. Donaldson to be postmaster at Froid, Mont. Office became presidential January 1, 1917.

W. M. Eaman to be postmaster at Dutton, Mont. Office became presidential January 1, 1917.

Matthew U. Mahns to be postmaster at Savage, Mont. Office became presidential October 1, 1916.

Margaret O'Connell to be postmaster at St. Ignatius, Mont. Office became presidential October 1, 1916.

Hattie Savage to be postmaster at Troy, Mont. Office became presidential October 1, 1916.

NEBRASKA.

John T. Bridges to be postmaster at Oconto, Nebr. Office became presidential October 1, 1916.

Mildred B. Graves to be postmaster at Palisade, Nebr. Office became presidential October 1, 1916.

William M. Trent to be postmaster at Bellevue, Nebr. Office became presidential January 1, 1917.

NEW HAMPSHIRE.

Stella E. Coburn to be postmaster at North Rochester, N. H. Office became presidential April 1, 1916.

NEW JERSEY.

Alley B. Ayres to be postmaster at Island Heights, N. J. Office became presidential October 1, 1916.

George A. Clark to be postmaster at Scotch Plains, N. J. Office became presidential January 1, 1917.

Frank Ferry, jr., to be postmaster at Bayhead, N. J. Office became presidential October 1, 1916.

John B. Geary to be postmaster at South Plainfield, N. J. Office became presidential October 1, 1916.

Walter R. Huff to be postmaster at Neshanic Station, N. J. Office became presidential January 1, 1917.

Daniel E. McCallion to be postmaster at Lakehurst, N. J. Office became presidential October 1, 1916.

William C. Snyder to be postmaster at Avon by the Sea, N. J. Office became presidential October 1, 1916.

NEW YORK.

Leslie E. Eignor to be postmaster at Pine Hill, N. Y. Office became presidential October 1, 1917.

Joseph A. Frost to be postmaster at Williamstown, N. Y. Office became presidential January 1, 1917.

John B. Mattice to be postmaster at Wayland, N. Y., in place of John A. Kramer, deceased.

George H. Smiley to be postmaster at Minnewaska, N. Y. Office became presidential January 1, 1917.

Clara M. Park to be postmaster at Woodstock, N. Y. Office became presidential October 1, 1916.

George W. Snyder to be postmaster at Schoharie, N. Y., in place of C. B. L'Amoreaux, removed.

Charles H. Whitson to be postmaster at Briarcliff Manor, N. Y., in place of C. H. Whitson. Incumbent's commission expired April 17, 1916.

NORTH CAROLINA.

Albert R. Bauman to be postmaster at Montreat, N. C. Office became presidential October 1, 1916.

Lewis B. McBrayer to be postmaster at Sanatorium, N. C. Office became presidential January 1, 1917.

Edward K. Norris to be postmaster at Creedmore, N. C. Office became presidential October 1, 1916.

Archie J. Sykes to be postmaster at Pomona, N. C. Office became presidential October 1, 1916.

NORTH DAKOTA.

Minnie E. Anderson to be postmaster at Leonard, N. Dak. Office became presidential January 1, 1917.

James Fitzpatrick to be postmaster at Sawyer, N. Dak. Office became presidential January 1, 1917.

Mabelle Fletcher to be postmaster at Adams, N. Dak. Office became presidential October 1, 1916.

Gertrude M. Larin to be postmaster at Parshall, N. Dak. Office became presidential October 1, 1916.

Oscar W. Moore to be postmaster at Rocklake, N. Dak. Office became presidential October 1, 1916.

Mons K. Ohnstad to be postmaster at Sharon, N. Dak. Office became presidential October 1, 1916.

Ira L. Walla to be postmaster at Arnegard, N. Dak. Office became presidential October 1, 1916.

OHIO.

Emil L. Davis to be postmaster at Lakeview, Ohio. Office became presidential January 1, 1917.

Charles O. Polen to be postmaster at Beallsville, Ohio. Office became presidential October 1, 1916.

J. D. M. Russell to be postmaster at Wilberforce, Ohio. Office became presidential January 1, 1917.

Kate B. Stanley to be postmaster at Lowell, Ohio. Office became presidential October 1, 1916.

William T. Wilson to be postmaster at Mount Orab, Ohio. Office became presidential October 1, 1916.

OKLAHOMA.

Charles S. Cravens to be postmaster at Jenks, Okla. Office became presidential January 1, 1917.

George P. Creal to be postmaster at Supply, Okla. Office became presidential October 1, 1916.

Charles H. Hatfield to be postmaster at Hydra, Okla., in place of Lee Roy Daniel, resigned.

Joseph O. Jackson to be postmaster at Mountain Park, Okla., in place of Edward Hensley, resigned.

Allan C. Melton to be postmaster at Cement, Okla., in place of George L. Powell, resigned.

Ellen L. Morris to be postmaster at May, Okla. Office became presidential October 1, 1916.

Frances G. Owens to be postmaster at Gate, Okla. Office became presidential October 1, 1916.

OREGON.

Daisy Buckner to be postmaster at Scio, Oreg. Office became presidential October 1, 1916.

Edgar L. Davidson to be postmaster at Oswego, Oreg. Office became presidential January 1, 1917.

Shelby F. Deaderick to be postmaster at Halfway, Oreg. Office became presidential October 1, 1916.

Clark B. Foster to be postmaster at Dayton, Oreg. Office became presidential October 1, 1916.

Volney E. Lee to be postmaster at North Powder, Oreg. Office became presidential October 1, 1916.

Roy E. Pritchett to be postmaster at Gaston, Oreg. Office became presidential October 1, 1916.

Roy J. Rhoades to be postmaster at Powers, Oreg. Office became presidential January 1, 1917.

J. W. Vandervelden to be postmaster at Banks, Oreg. Office became presidential January 1, 1917.

W. W. Wilson to be postmaster at Yoncalla, Oreg. Office became presidential October 1, 1916.

PENNSYLVANIA.

Camilla W. Adams to be postmaster at East McKeesport, Pa. Office became presidential October 1, 1916.

Daniel J. O'Brien to be postmaster at Everson, Pa. Office became presidential October 1, 1916.

SOUTH DAKOTA.

Walter R. Dickson to be postmaster at Hitchcock, S. Dak., in place of Bernard Laverty, declined.

William F. Gouch to be postmaster at Canova, S. Dak. Office became presidential October 1, 1916.

Charles H. Hess, jr., to be postmaster at Blunt, S. Dak., in place of Nettie H. Beebe. Incumbent's commission expired April 6, 1914.

Bert E. Schroeder to be postmaster at Emery, S. Dak. Office became presidential October 1, 1916.

TEXAS.

Jonathan W. Duncan to be postmaster at Malakoff, Tex. Office became presidential October 1, 1916.

W. S. Nelson to be postmaster at Sterling City, Tex. Office became presidential October 1, 1916.

UTAH.

Joseph A. Sill to be postmaster at Layton, Utah. Office became presidential October 1, 1916.

VIRGINIA.

John C. Hudgins to be postmaster at Claremont, Va. Office became presidential October 1, 1916.

WASHINGTON.

John L. Field to be postmaster at Quincy, Wash. Office became presidential October 1, 1916.

W. W. Gwinn to be postmaster at Harrington, Wash., in place of F. M. Charlton, resigned.

WEST VIRGINIA.

J. Frank Grimet to be postmaster at Mount Hope, W. Va., in place of Charles M. Brown, resigned.

WISCONSIN.

Howard C. Hepburn to be postmaster at Prairie Farm, Wis. Office became presidential October 1, 1916.

Arnie M. Sanders to be postmaster at Marshall, Wis. Office became presidential October 1, 1916.

WITHDRAWAL.

Executive nomination withdrawn February 27, 1917.

Luther Byron Ballou, of Kansas, for provisional appointment as second lieutenant of Cavalry.

HOUSE OF REPRESENTATIVES.

TUESDAY, February 27, 1917.

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord our God, incline Thine ear and hear our petition. Help us, we pray Thee, to guide our frail bark through the tumultuous and stormy seas of this life, and bring us at last in Thine own good time into that haven of rest where peace and tranquillity reign supreme in Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

CLERICAL ASSISTANCE TO COMMITTEE ON ENROLLED BILLS.

Mr. LLOYD. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

House resolution 511 (H. Rept. No. 1568).

Resolved, That the chairman of the Committee on Enrolled Bills be, and he is hereby, authorized to employ such additional assistant clerks as may be necessary during the remainder of the Sixty-fourth Congress, the payment for services not to exceed the sum of \$250, to be paid out of the contingent fund of the House.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ENROLLED BILLS SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 20451. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

The Speaker announced his signature to enrolled bills of the following titles:

S. 8227. An act granting the consent of Congress to the city of Fort Atkinson, in Jefferson County, Wis., for the construction of a bridge across the Rock River; and

S. 8295. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee. Mr. Speaker, I desire to call up the conference report on the bill (H. R. 18542) making appropriations for the legislative, executive, and judicial expenses of the Government.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 18542) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1918, and for other purposes.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to dispense with the reading of the report, and let me make just a brief statement.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to make a brief statement in lieu of the report. Is there objection?

Mr. WINGO. Reserving the right to object, Mr. Speaker, I suggest that the gentleman make a brief statement, and then we can decide whether or not to dispense with the reading of the report.

The SPEAKER. Is there objection to the gentleman from Tennessee making a brief statement?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Speaker, since the filing of this report the Senate has taken action upon another appropriation bill—the Indian appropriation bill—adopting the House provision with reference to the increase of salaries. The report now before the House recommends that the House yield to the Senate and adopt the so-called Smoot amendment.

That report was made as a result of the very firm, very positive, and insistent statements of all the Senate conferees on this particular bill and the Senate conferees on other appropriation bills carrying a like provision, that the Senate would never yield to the House and would insist positively and firmly and finally upon the adoption of the Smoot amendment. But since the Senate on yesterday afternoon adopted the provision of the House upon the Indian appropriation bill, I think that this report of the conferees upon the legislative bill should be rejected and sent back to conference, and I ask that that be done.